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Construction Captain

A. Turner Bone, 60-year-old president of Montreal's J. L. E. Price & Co. this week in Winnipeg became chief spokesman of Canada's $5 billion construction industry which looks for a record year in 1956 for value of work done. As president of the Canadian Construction Association, he heads an organization with over 1,000 member firms and 35 affiliated bodies.

THE NATION'S BUSINESS

Maybe Good Politics But Bad Economics

The new formula for federal-provincial tax relations proposed by Prime Minister St. Laurent is a sharp change of direction for Ottawa. After 15 years of trying to promote a general uniformity of direct taxation, Mr. St. Laurent and his colleagues have gone back to a policy of offering the provinces no inducement to rent their income taxes. The disadvantages of the change can be very great, but they are still contingent. The advantages to Ottawa are immediate and political.

There can be no doubt that most Canadians who pay income taxes, and therefore certainly have a right to be consulted, would very much prefer to have the regulation of those taxes concentrated in one jurisdiction. Every businessman recognizes the advantages of uniform rates of taxation throughout the country and of centralizing fiscal control in the central government. This is the situation we have had for many years in nine out of ten provinces.

If any substantial degree of this happy uniformity is maintained after the end of the new fiscal year, the provincial governments will deserve the credit rather than Ottawa. The Federal Cabinet — disregarding the advice of some of its best fiscal experts — has decided to make a great show of "giving the provinces their freedom."

It is a political decision, not a financial one. It is based on a calculation, not of what is best for the taxpayer, but of who will get the blame if double taxation does result.

The St. Laurent Government has adopted a neutral position. It offers nothing to tempt a province into renting its taxes. It promises instead an unconditional level of provincial revenue based on calculations of tax yield; and it says to the provinces, in effect, "If that isn't enough for you, go ahead and collect as much more as you want." So it hopes to escape blame if any of them do.

To the legalistic mind the federal solution is unexceptionable. Constitutionally it is strictly correct. But it is the first time since 1940 that legalism and political expediency have been allowed to submerge financial and economic good sense.

The effect of the present decisions cannot be fully judged until about 1960. We shall be very lucky if by that time most of us are not regretting the basic surrender made now by a Government which seems to be more concerned with votes in Quebec than with the long-run rationalization of Canada's tax system.

* * * *

No Startling Remedies

If anyone expected any miracle rejuvenating recommendations from the special committee that has been inquiring into Ontario's gold industry he is going to be disappointed. There is a wealth of hitherto unpublished information in the final report issued this week and summarized elsewhere in this issue of The Financial Post, but no startling remedies.

The report recommends the continuance of the present Federal Government assistance and barring not-too-rapid increases in costs predicts that the industry should be able to maintain approximately its present status and production for some years.

The committee does well to stress the importance of maintaining adequate educational, social and other municipal and provincial services in the mining communities concerned. Young people growing up in these areas, it argues, should at least be as well trained as they are in more prosperous communities so that they can make the best use of their capacities "either in gold mining or in some other occupation, and labor mobility should be particularly encouraged." Those points are important not only in the gold mining communities but in any other area or industries of Canada where for one reason or another, and in sharp contrast to the general trend, employment is merely steady or slowly declining.

* * * *

An Excellent Example

B. C. Electric shows a keen sense of public responsibility and deserves heartiest congratulations for its decision to grant $50,000 to the University of British Columbia to be used in research on the problem of "fish versus power."

As matters stand now, British Columbia's urgent need for new power sites to supply the Lower Mainland and Vancouver Island is seriously complicated because the best power sites are located on important salmon rivers. In other parts of the provinces, too, some big power plans also conflict with fisheries.

Salmon, of course, must move freely up and down the rivers. Power dams block the rivers and interfere with the life cycle of the fish. There are ways of getting fish past obstructions — by building fish ladders, for instance — but these methods have not yet been applied to dams of the height required for the developments now proposed.

Unless new methods are worked out, or unless present methods can be adapted to current needs, B. C. will have to choose between fish and power — a hard choice for a province where both are major industries.

B. C. Electric is betting $50,000 that a way can be found to have both fish and power, and the company is turning to a neutral and highly competent source to decide the issue.

It's a wise move, whether it's looked at from the standpoint of residents of B. C. or from that of shareholders of B. C. Electric. If the $50,000 grant helps show the way to a solution of the fish-versus-power problem, it will open up a new avenue of expansion for both the power company and the province.

Other Canadian companies, beset with similar problems, might well follow this excellent example.

More Jobs This Winter —But Not Many More

Predict Lower Unemployment Totals In Winter Months, But Expansion Of Job Openings Is Expected To Slow Down

By MICHAEL BARKWAY

OTTAWA (Staff) — If the winter of 1956 improves on last winter's seasonal swing in employment, it will not be by very much. Unemployment totals will certainly be well below last year's.

We started the winter with more people employed and fewer people unemployed. The seasonal drop may also turn out to be a little milder than last year's. But it doesn't now look as though we shall beat the seasonal increase in jobless by as much as had been hoped.

Optimism has been slightly dampened — though not extinguished — by the December employment figures published this week. They indicate that the remarkable expansion in jobs which marked most of 1955 was slowing down by the end of the year. While the job picture remains buoyant, it may not sweep up through the winter's dip at quite as high a level as appeared possible at one time.

There is still hope that we may get through the winter with no more than 300,000 people tabulated as "without jobs and seeking work" in the labor force survey. This would be only three quarters of last year's March peak. The comparable figure on the alternative count — unplaced applicants at National Employment Service offices — might be about half a million at the peak. This would compare with 633,000 last March.

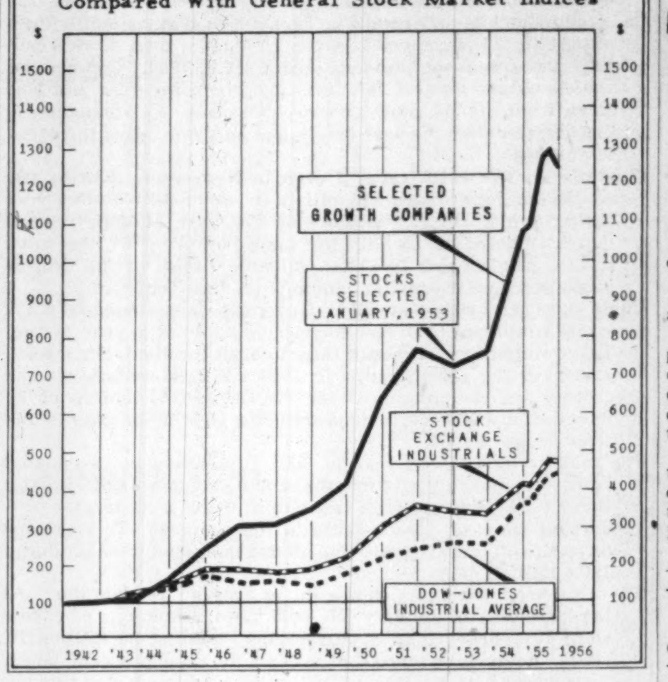
A considerable increase in unemployed between December and January is inevitable. (The December figures were 200,000 on the labor force survey, and 287,000 on the NES count.) But it may largely depend on weather how things move after that.

The best perspective on employment prospects comes from

(Continued on page 3, col. 1)

SELECTED GROWTH STOCKS

Index of Performance Compared With General Stock Market Indices



For the annual review of Nestor's Selected Growth Stocks see pages 23 and 34.

Are We Going Back To Double Taxes?

Ottawa Tosses Tax Ball to Premiers — Provincial Capitals Could Do Own Collecting — Here's Where Your Province Stands

For a discussion of how companies will have to report their earnings under the newly proposed tax deal see page 37.

OTTAWA (Staff)—For information on your tax liabilities in 1957 and future years, please consult your local provincial capital.

Mr. St. Laurent and his Cabinet have left it completely up to the provincial governments to decide whether to start collecting their own taxes on personal or corporation income or their own succession duties. They can do as they like, and Ottawa has scrupulously avoided offering them any direct inducement to go on renting these taxes to the federal treasury.

No one shall say that the St. Laurent Government put a price on the exercise of any province's constitutional right to levy its own direct taxes. That seems to have been the motto behind the federal tax proposals for new arrangements to cover the years from April 1, 1957 to April 1, 1962.

What will the provinces do with the new freedom which satisfies Mr. Duplessis's long-expressed demands and makes no appeal to the smaller provinces?

—If you live in any province except Ontario, Quebec or British Columbia, the chances are it will make no difference. All these governments are assured of a tax yield equal to the average of what Ontario and B. C. would get, per capita, from 10% of the federal tax on personal incomes, 9% of corporation profits (regardless of the federal rate) and 50% of the federal rate of succession duties. None of them — unless perhaps Alberta — has a high enough tax potential to make it worthwhile trying to raise these taxes at a higher rate, if the cost is doing their own collection.

—If you live in Quebec you might even do slightly better than now. From 1957 on, you will get nine percentage points off your federal corporation income tax instead of the present seven. You will continue to get 10% of the federal rate off your personal income tax. It is up to Mr. Duplessis to decide how he'll change your provincial taxes, if at all. But he needn't be short of revenues as he is now.

—If you live in Ontario, you're the taxpayer that has most to lose. You may easily find yourself paying a corporation income tax to the provincial government as well as to Ottawa. It is considered very unlikely that you will have to pay two taxes on personal income. Premier Frost's Government seems quite happy to go on renting the personal income tax field to Ottawa, and getting a payment equal to 10% of the federal rate in exchange. It has never given up its own succession duties and is unlikely to give them up now.

The crucial question is whether Mr. Frost will think it worthwhile to go back into collecting his own income taxes on corporations. Here's the choice he faces:

If the Ontario Government, looking ahead for five years, is content with nine percentage points on corporation profits earned in Ontario, then it may look like six of one and half a dozen of the other.

Ottawa will pay Queen's Park the equivalent of the 9% corporation tax.

If the Ontario Government thinks it might want to go above

(Continued on page 3, col. 3)

PRICES

(SEE BUSINESS TRENDS ON PAGE 2)

Lead cut ½c lb. in Canada and U. S. to 15½c and 16c lb. respectively. Drop reflects weakness of London market due largely to speculative profit-taking.

Cellophane export prices increased 5% by Du Pont in U. S. Canadian Du Pont says very little effect expected in Canada since most Cellophane needs met by domestic production.

Scrap Steel upped $2 ton in second increase in last two months. Rise expected to add to pressure for steel price hikes by major Canadian producers.

Vinyltoluene price reduction of ½c lb. announced by Dow Chemical in U. S. Reduction brings tank car price in Canada to 16½c lb.

Potatoes up on Toronto markets, reflecting weather tieups of shipments. PEI 75-lb. bags up 45c-50c at $2.10-$2.25 wholesale in week. Price expected to ease when bigger supplies are moved in.

Quebec Opposition Ready To Fight Newsprint Bill

Text of Quebec's Bill 28 for newsprint control is on pp. 24, 25.

(Special to The Financial Post)

QUEBEC — It looks as if there is to be an all-out fight in the Quebec House over the already famous newsprint control bill.

Authoritative sources say the general line of attack of the opposition will be as follows:

—Bill No. 28 is endangering not only freedom of the press but also freedom of business in this province;

—This bill is a Socialist measure of the worst kind, introduced by Premier Duplessis mainly for vindictive and electoral purposes, Liberal members will say.

—"Why not achieve the same objective by increasing wood-cutting rates and granting subsidies to newspapers to lower newsprint prices?" they will ask.

Legally speaking, Bill No. 28, if ratified, would inaugurate a radical change in the relations between the Government, the newsprint producers, the wood processors and the newspapers in Quebec.

Owners of forest concessions have been almost entirely free to dispose of their products inside and outside the province, provided they paid the official wood-cutting tariffs and had taken good care of their forest concessions. But under some provisions of Bill 28, their production, prices, sales and distribution would be regulated by a control board they will have to finance with their own money.

The provision that pulp is not considered a processed product (Section 25) and that it must be completely processed in Quebec cuts off an important source of income for most pulp and paper firms. Canada exports about two million tons a year, mostly to the U. S. This could also affect lumber, depending on what is considered completely processed.

Division IV of the Act is supposed to go into effect as of Jan. 7. Thus any pulp that was shipped out of the province on that date or afterward contravenes the law, and the mill is liable to a fine of

(Continued on page 3, col. 1)

Stelco, Dosco Co-operation Helps Ease Steel Squeeze

By N. L. DACK

A unique arrangement between two Canadian steel producers is boosting the availability of bar mill products in this steel-tight country. Just getting into high gear, the new integrated program could in time expand output of flat-rolled steel products as well.

The new project stems from the fact that Steel Co. of Canada — which accounts for almost half of Canada's total steel output — can produce ingots faster than it can process them into billets and flat rolled products. (Such a condition can prevail — if heavy market demand holds — until company's new $20-$30 million blooming mill is brought into production around mid-1957.)

Here's the new angle designed to squeeze more production out of existing facilities: By shipping the extra ingots to Dominion Steel & Coal Corp. mills at Sydney, where there is some extra blooming capacity, they can be processed into billet form and then returned to Stelco mills for finishing into various bar mill products.

So heavy is the current demand for these products that many customers are willing to pay the premium prices asked to get earlier delivery of their required steel products. The three extra costs involved for Stelco — outgoing transportation of ingots to Sydney, incoming transportation of ingots and processing of billets — is adding an extra $40 a ton to price of the finished steel products (a 20%-25% increase).

This is probably the most unusual move made yet by steel producers in their race to meet still zooming demands.

Unlike the situation in U. S. where some easing in auto production is expected to make steel

(Continued on page 3, col. 4)

RCAF's Defense Dilemma: What Job For Reservists?

OTTAWA (Staff) — A decision on the future of Canada's Auxiliary Air Force is now being worked out, after consultations with officers of most of the squadrons from across the country. It is hoped that new plans for the RCAF Auxiliary may be announced fairly soon, but it is both complicated and delicate to fit the squadrons into the new conceptions of air defense.

The basic problem is that first priority must now be given to air defense units which can be ready for immediate action against attacking bombers. (The Post, Dec. 31). Part-time flyers, it is now believed, cannot be expected to master all the modern gadgets in the newest fighter planes well enough to make them effective fighting units. This is particularly true of the two-seater CF100. Its successful operation depends on such close understanding between the pilot and navigator as only permanent force officers can achieve by working and living together all the time.

Auxiliary officers, it is thought, could fly the machine, now that many of them are being jet-trained on the two-seater T33 and on Mustangs and Vampires. But effective use of the complex weapons system is something else again. CF100's are most unlikely to be issued to the auxiliary squadrons.

One possibility for integrating some of the auxiliary squadrons into the front-line air defense system involves equipping them with the single-seat Sabre F86 fighter. Although in Canadian conditions it is regarded as a fair-weather, daylight-only tool, it is thought possible that it might take some of the strain off the CF100 crews by letting them concentrate their stand-by periods.

Conditions for use of the F86 by auxiliary flyers however would be limited. They would arise only in some parts of the country and only for reservists who can manage to put in more than the average number of flying hours.

Radar and communications personnel of the auxiliary will definitely be needed. Ground crew could be used in the less technical jobs in regular squadrons. But there is always difficulty about breaking up reserve units in any of the services. It will not be easy to adapt the reserve forces to the New Look.

Canadian Seaway Executives To Study Panama Toll System

OTTAWA (Staff)—Senior officials of Canada's St. Lawrence Seaway Authority are visiting Washington and Panama this week to collect data on canal operation and financing.

The three members of the Authority—Lionel Chevrier, Charles Gavsie and C. W. West are being accompanied by the Authority's chief engineer, A. G. Murphy, Comptroller D. W. G. Oliver and the Department of Transport's director of economic policy, George A. Scott.

After talks in Washington with Lewis G. Castle, administrator of the U. S. St. Lawrence Seaway Development Corp., the Canadians left Wednesday by air for Panama with a U. S. group led by Mr. Castle, to observe the handling of cargo ships and collection of tolls through the Panama Canal.

The Authority has now awarded contracts valued at some $50 millions, covering both construction and engineering consultation. Work completed represents about 15% of the total value of contracts awarded, or some $7.5 millions.

In Washington, President Eisenhower told Congress that the U. S. is right on schedule in its share of the Seaway construction. During 1955, the U. S. spent $18 millions of its estimated $90 million expenditure. Most of the work done during the past year, the President said, was excavation and dike and embankment construction.

The President outlined five main objectives in the U. S. work plan for 1956:

—Complete excavation for the Robinson Bay and Grasse River locks.

—Continue the Long Sault Canal excavation.

—Award contracts for the construction of both locks, lock equipment, railroad relocation, the first part of the Thousand Islands dredging and second part of the east-west highway, Polleys Gut bridge superstructure, Cornwall Island south channel dredging, and marine base for floating plant.

—Advertise for bids on electrical work at Robinson Bay lock, second part of Thousand Islands dredging and gate lifter.

—Continue design on navigation aids and canal mooring facilities and miscellaneous work.

On the Canadian section, 1956

(Continued on page 3, col. 5)

Scandinavian Airlines Plans Tokyo Flight Via North Pole

OTTAWA (Staff) — A new air route across Canada's Far North is planned by Scandinavian Airlines System. Negotiations are under way between SAS and Canada to establish necessary radio support facilities at Resolute, near the 75th Parallel, and possibly other points.

The new route would take passengers from Scandinavia to Tokyo, via the North Pole. Besides Resolute in the Northwest Territories, radio check points are to be established in the Norwegian Lofoten Islands, in Spitsbergen, in the north-east corner of Greenland, and at Anchorage, Alaska.

One test flight has already been operated over the new route (last June) and more are expected this spring. A weekly service may be inaugurated in the fall.

SAS already operates a far-northern route between Scandinavia and San Francisco. For this route, the airline furnished suitable radio equipment to establish a check point at Frobisher. Canada paid for the equipment through remission of the fees it charges for furnishing radio service.

It is expected a similar arrangement would be worked out for the new check point at Resolute. The new route to the Orient may also utilize Frobisher as an alternative link in its radio support chain.

Announcement of negotiations with Canada, the U. S., Norway and Denmark was made by K. Hagerup-Svendsen, vice-president in charge of SAS operations.

As far as Canada is concerned, SAS will require little except some additional radio equipment for Resolute. Present personnel could probably provide necessary service. If any additional radio stations were necessary, which is considered unlikely, it's thought existing Arctic facilities could be used.

CPA Will Ask Edmonton Stop On Polar Route

EDMONTON — Canadian Pacific Airlines will seek traffic rights at Edmonton for its Polar route from Vancouver to Europe, President G. W. G. McConachie told the Chamber of Commerce at its annual meeting here this week.

"It does not seem logical that the people of Alberta should be required to travel 1,000 miles extra via Montreal to fly to Europe when there is a direct Polar service passing right over your heads," Mr. McConachie said. "It is distressing to discover that more than 50% of the air traffic from Alberta to Europe and to the Pacific is now travelling on foreign airlines."

An Edmonton landing would give Alberta 16-hour direct service to Europe, reduced to 10½ hours without intermediate landing when the Britannias are used next year.

THE SIGNS AND PORTENTS

By PETER C. NEWMAN

DID WE PASS the current boom's peak in the last quarter of 1955? The U. S. Federal Reserve Board's decision this week to halt credit-tightening measures suggests such a possibility. The U. S. and Canadian economies are today in a state of delicate balance. Too much anti-inflationary pressure could push the business pendulum downward. Not enough restraint could swing us into the hectic kind of economic pace which requires serious adjustments.

* * *

1957 AUTOMOBILES will feature some revolutionary accessories. At least one manufacturer is planning wing-like doors that hinge in the middle of the roof, opening outward and upward instead of forward, allowing passengers to enter without bending over. Radar brakes will also be introduced. Hidden behind the grills, these devices will bounce signals off vehicles ahead, applying brakes automatically when the gap between cars gets dangerously small. A fuel-injection engine, eliminating the more costly type of carburetor, will be offered for the first time.

* * *

TREND TOWARD larger packages will continue in 1956. Eggs in three-dozen cartons for once-a-week shoppers will appear on supermarket shelves; canned goods will be packed in carton-carriers holding half a dozen cans each.

* * *

PROPOSED NEW Federal tax formula means that Canadian companies will have to divide up their profits according to the province where they are earned, for tax-form submissions to Ottawa in 1957.

* * *

COST OF HOMES will climb about 5% this year, reflecting higher construction, labor and material levels, as well as still-climbing real-estate values. The higher costs will not increase down payments, but will be added to the sales price under newly liberalized CMHC appraisals.

* * *

AIR CONDITIONING will be the next appliance promoted as a "staple" in the modern Canadian home. More and more builders of high-priced houses are adapting their plans to suit central air-conditioning units.

* * *

LOOK FOR MORE frozen goods in supermarkets. New types of two-level freezer cabinets will increase storage-sales space by 70%. Lack of adequate low temperature display facilities has been one of the supermarkets' greatest sales bottlenecks.

* * *

CANADIAN DISCOUNT houses will this year apply their sales tactics to new markets, including clothing, hardware and toys. Toronto already has three soft goods stores trying to boost volume through splashy advertising, low markups.

PRICES OF IMPORTED vegetables will be up as much as 100% during next few months as a result of the recent Florida frosts. Tomatoes have already jumped from $7 to $14 a case — an unprecedented increase.

* * *

UNITED ELECTRICAL workers was badly beaten in the 107-day Canadian Wire & Cable strike, settled this week. The defeat comes at a crucial time for the Communist-led union —just as negotiations are reaching a climax at Canadian Westinghouse and at CGE. Influence of the UE has suffered an irretrievable loss — encouraging the raiding plans of other electrical unions.

* * *

COLOR TELEVISION sets will be promoted in Canada this year — about two thousand have already been sold. Installation of special pastel-colored antennas to distinguish homes of color-set owners will be used to push the technicolor units.

Stock Market Highlights

Industrials

Canadian industrial stocks irregular with Toronto industrial index adding about a point in past week while Montreal slides off similar amount. Montreal papers continue lower for seven-point loss. For details on some of the stocks that moved, see page 4.

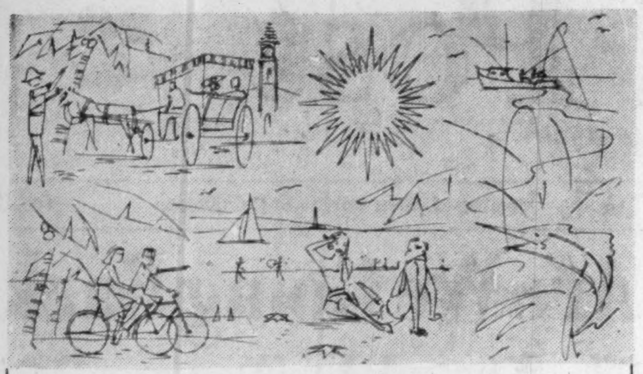
Mines

Temagami Mining sells up sharply to $4.05 as new high grade copper body outlined in recent drilling.

Chimo sells through $2 and Trojan Exploration Co. as high as $2.62 with drilling expected to start this week on Chimo-financed Trojan copper property in Highland Valley area, B. C.

Nesbitt LaBine proves spectacular performer among uraniums moving up to $3.25 as news awaited from drill holes put out from new ABC shaft.

Stanleigh Uranium firm spot on over-counter market as treasury receives $775,000 from new financing following favorable ore developments.



Travelling South

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- Medical and surgical supplies, rubber goods
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The Frankfurt International Fair coincides with the OFFENBACH INTERNATIONAL LEATHER GOODS FAIR which takes place from 3rd to 9th March 1956.

For further information please contact:—

GERMAN CANADIAN TRADE PROMOTION OFFICE

185 Bay Street, Toronto, Telephone EM. 6-3366

Trend of Business

Department store sales hold high in post-Christmas weeks. Sales during the last week of December rose 19.5% over the same period a year before. All provinces shared in the gain. In the first week of the new year sales were 11.6% down from the year before — due mostly to a five- as against a six-day shopping week.

Iron ore shipments soar. In November Canadian mines shipped 1.9 million tons of iron ore for a steep 127% gain over November '54. January-November shipments total 16.1 million tons, an impressive 124% higher than during the same months a year earlier. We're exporting most of it: ore shipped abroad in the first 11 months reached 14.7 million tons, 124% more than during '54.

Car production hits new record in '55. Off Canadian assembly lines rolled 375,127 passenger vehicles, 29% more than in 1954 and 2.8% more than the previous record set in 1953. Commercial vehicle output jumped 16% over the preceding year, but was down from the '53 peak by 34%. Over-all '55 production is 27% greater than the year before and only 6% below the over-all '53 peak.

Canada's sea fish catch takes a drop in November. During the month landings totaled 116 million lb., down 16% from a year earlier and worth $2.8 millions or 25% less. Comparing the first 11 months of '55 with the same period in '54, the catch is 12% smaller and 10% less valuable. Most of the drop is accounted for by smaller landings on the Pacific coast.

Chain store sales rising steadily. November sales increased 8.2% to $193 millions from the corresponding total a year before. This brought first 11 month sales to $2,017 millions for a 6.6% gain over the same months in 1954. Biggest sellers are the grocery and combination stores. In the first 11 months of '55 they did business worth $858 millions, 10% more than in the same period in '54.

Pop makers have a big year in '55. Production of carbonated beverages during the 12 months of last year was 12.8% greater than in '54. Every month saw output gains, with biggest production increases taking place in the summer. To slake the thirst of soft-drink-prone Canadians, manufacturers produced 118.8 million gal.

There's more butter, less cheese in the nation's refrigerator. At the beginning of January '56, cold storage holdings of cheese were 10% lower than a year earlier, totaling 38 million lb. Butter holdings reached 100 million lb., nine per cent larger than a year before. During '55, butter production rose two per cent to 318 million lb., cheese production dropped seven per cent to 78 million lb., compared to '54.

We're manufacturing more margarine. Production for the full year 1955 totaled 125 million lb., eight per cent more than the preceding year's 115.8 million. At the beginning of January this year, stocks held amounted to 2.9 million lb., 20% smaller than a year earlier.

Refrigerator manufacturers have improved year. Although complete figures are not available, 1955 electric refrigerator production is likely to pass the 245,000 mark for a six per cent gain over '54. The '55 house building boom helped create the bigger demand.

Mid-December unemployment 20% smaller than a year earlier. While the number of job seekers increased seasonally from mid-November to mid-December, only 3.5% of the work force was unemployed compared to 4.5% a year ago. And people with jobs numbered 210,000 more than a year before, and 250,000 more than two years ago. This stronger trend is due to busier manufacturing, trade and service industries.

Fewer passengers on urban transit systems. Canadian transit companies report October passengers numbered 100 million, 2.3% below October '54. In the first three quarters, numbers carried declined by 4.6%.

What do families spend for food? It costs an average city family with two to six members, $6.94 per person every week, according to a special DBS survey. Largest single item is 22c per food dollar for meat. Then comes 16c for fruit and vegetables; 11c for cereal and bakery items; 10c for restaurants and smaller amounts for other categories.

Major Weekly Indicators

	Latest Week	Week Ago	Month Ago	Year Ago
Department sales (% ch. from year earlier)	—11.6%	+19.5%	+7.7%	+4.3%
Carloading total (cars)	‡81,877	73,105	*107,892	‡84,956
Eastern Canada (cars)	‡54,684	48,912	*70,981	‡54,020
Western Canada (cars)	‡27,193	24,193	*36,911	‡30,936
Iron & Steel (mfd.) (cars)	‡1,457	1,435	*1,702	‡1,211
Ores, concentrate (cars)	‡4,142	3,407	*5,451	‡3,353
Base metals (cars)	‡851	702	*978	‡1,537
Lumber, timber, plywood (cars)	‡3,849	3,750	*5,432	‡3,957
Cement (cars)	‡314	400	*923	‡361
Passenger car prod. (no.)	6,017	4,170	6,334	6,068
Truck production (no.)	1,010	905	1,050	896
Bus. failures 4-wk. moving av. (no.)	25.7	27.7	26.5	31.7
Chartered Bank				
Personal savings ($ millions)	5,662	5,604	5,617	5,239
Loans outstanding ($ millions)	4,879	4,894	4,910	4,095
N.H.A. mtge. holdings ($ millions)	295	290	270	76
Bank of Canada holdings of securities ($ millions)	2,416	2,385	2,393	2,291
Short-term govern. ($ millions)	1,212	1,236	1,353	1,362
Long-term govern. ($ millions)	1,126	1,082	978	916
Other securities ($ millions)	67	57	52	12
Canadian dollar (U.S. cents aver.)	100.138	100.09	99.010	103.210
Yield 114 stocks	4.45%	4.42%	4.52%	4.54%
Dom. Bonds yield index ('35-'39=100)	110.0	109.7	110.6	100.3
T.S.E. industrial index	439.01	438.17	434.60	376.75
Bank Clearings				
Montreal ($ millions)	599	710	567	501
Toronto ($ millions)	762	934	712	564

* Nine-day end of month period.
‡ Ten-day end of month period.

Facts by the Month

	LATEST MONTH AVAILABLE	One Month Previous	Two Months Previous	One Year Previous
WHAT WE PRODUCE—				
In all industries (Index)	283.6	281.4	271.1	256.0
In factories (Index)	284.6	284.6	274.8	257.6
Total nondurable goods (Index)	248.5	250.6	244.7	233.2
Food and bev. (Index)	254.7	273.1	279.2	244.1
Textiles (Index)	193.3	191.4	179.3	177.5
Clothing (Index)	159.6	156.9	146.2	150.8
Chemical products (Index)	298.0	297.8	285.1	285.0
Total durable goods (Index)	341.0	337.6	321.8	295.8
Iron & steel products (Index)	315.2	307.6	287.7	250.1
Primary iron & steel (Index)	383.5	372.4	372.2	242.0
—From mines (Index)	284.4	275.7	261.6	245.5
Metals (Index)	146.9	150.3	147.8	133.8
Nonferrous smelting, refining (Index)	256.3	259.5	259.0	249.5
Gold (Index)	114.1	107.9	107.5	108.0
—From farms				
▪Hogs graded (000)	459	482	343	390
▪Cattle delivered (000)	143	180	136	136
▪Flour (Index)	144.9	146.6	132.5	158.3
—From sea				
▪E. Coast catch ($000)	1,670	2,533	4,202	2,046
▪W. Coast catch ($000)	1,206	1,672	4,591	1,746
—From forests				
▪Newsprint (000 tons)	538.8	503.2	539.5	526.0
▪Pulp (000 tons)	879.2	814.6	874.5	838.7
—In powerhouses				
Electricity (Index) (seasonally adjusted)	281.4	285.2	289.0	268.3
WHAT WE SELL—				
Retail sales ($ millions)	1,120	1,113	1,100	1,016
Dept. store sales ($ millions)	107.3	102.0	81.2	96.3
Wholesale sales (value) (index)	419.5	377.9	415.7	378.1
Mfrs. outstdg. orders (value) (Index)	79.2	80.1	81.4	78.4
Pass. cars sales (units)	26,135	24,906	33,453	15,994
WHAT'S ON HAND—				
▪Mfrs. inventories (value) (Index)	101.5	101.0	100.4	100.7
Dept. store stock sales ratio	1.4	2.7	3.1	1.4
SPENDING, SAVING POWER—				
Labor income ($ millions)	1,125	1,108	1,093	1,038
Dividend payments (Index) (annual rate)	286.9	282.3	269.9	254.6
JOBS—				
▪Persons with jobs (000)	5,388	5,419	5,477	5,187
▪Jobless seeking work (000)	200	162	142	248
▪Do. (% of labor force)	3.5%	2.9%	2.5%	4.5%
CONSTRUCTION—				
Contract awards ($ millions)	269	274	301	199
FOREIGN TRADE—				
Exports ($ millions)	374	384	382	314
Imports ($ millions)	457	415	430	333
MONEY—				
Money supply ($ millions)	5,837	5,827	5,808	5,331
▪Cheques cashed ($ millions)	15,276	13,933	13,182	13,626
Life insurance sales ($ millions)	319	281	244	290
Notice deposits ($ millions)	6,365	6,333	6,295	5,687
Current public loans ($ millions)	4,266	4,130	4,055	3,739
PRICES—				
Consumer price (Index)	116.9	116.9	116.9	116.6

Index bases: production wholesale sales 1935=100; employment, payrolls 1949=100; consumer price index, 1949=100; manufacturers' inventories outstanding orders Dec., 1952=100.

STRATEGIC MATERIALS—Production and Supply—

	Latest Month	Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	415	287	4,106	+40.6%
Primary copper (000 tons)	27.8	27.3	266	+7.2%
Nickel (000 tons)	14.5	14.3	146	+10.6%
Cement (000 bbls.)	2,429	2,041	21,378	+12.5%
▪Lumber (millions fbm.)	596	573	6,903	+10%
▪Lumber exports (millions fbm.)	432	364	3,978	+23%

Date of issue for your file, The Financial Post, January 21, 1956.

Announcing

Anaconda American Brass Ltd. (Toronto) — Donald F. Cornish, eastern sales manager, Montreal, succeeding Gault McCombe, who retires.

Bell & Howell Canada Ltd. (Toronto) — Patricia J. Larkin, advertising and promotion manager.

Burlington Steel Co. (Hamilton) — G. B. Gordon, president Dominion Textile Co., a director.

Bank of Montreal (Montreal) — Edward C. M. Pratt, assistant European representative at newly established office, Paris, France.

Canada Cement Co. (Montreal) — Hon. J. Olier Renaud, Q.C., director.

Canadian Business Equipment Manufacturers' Association (Toronto) —W. O. Detweiler, sales manager Gestetner (Canada) Ltd., president; S. J. Burk, Ditto of Canada Ltd., vice-pres.; F. G. McGinn, Underwood Ltd., secretary-treasurer; A. O. Dawson, past president; J. L. Rapmund, R. L. Stephenson, J. F. McKenzie, G. H. Hudson, directors.

Canadian Celanese Ltd. (Montreal) — John J. Power, sales manager filament yarn and staple fibre division.

Canadian Petroleum Association (Calgary) — Wm. D. Stuart, statistician.

Canadian Resins & Chemicals Ltd. (Montreal) — G. M. Hale, general sales manager; Walter E. Smith, manager industrial products division.

Consolidated Paper Corp. (Montreal) — J. A. Michaud, vice-pres. in charge of woodlands, succeeding Francois Faure, who retires.

Consolidated Press Ltd. (Toronto)— D. R. Shepherd, general manager business publications division.

James L. Cooke Motors Ltd. (Toronto) — Peter Millard, special sales representative, Jaguar automobiles.

Cunard Steam-Ship Co. (Montreal) — J. A. Parnell, manager Toronto office succeeding A. G. Stewart, retired.

Empire Brass Mfg. Co. (London, Ont.) — W C. Hawe, regional branch supervisor for Quebec, continues as Montreal branch manager.

Foote, Cone & Belding (Canada) Ltd. (Montreal) — Harry K. Hutchins, vice-president.

Freeway Washer Co. (Toronto)—R. I. Barbeau of Montreal, exclusive sales representative for all Canada.

General Motors Diesel Ltd. (London, Ont.) — H. R. McKnight, manager sales promotion and advertising; Russell Gage, manager distributor-dealer sales and service; A. E. Lake, manager, large engines and original equipment manufacturers sales.

Gilbey's Ltd. (New Toronto, Ont.) — John A. Starr, comptroller and Garnet M. Smith, purchasing agent.

Goodyear Tire & Rubber Co. (New Toronto) — creates two separate sales divisions. F. G. Willmot, sales manager new general products division covering industrial rubber products, Airfoam and special products, shoe products and molded and extruded rubber goods; G. F. Turner, sales manager new tire division, including battery and accessory sales, service dept. and dealer development.

Great-West Life Assurance Co., (Winnipeg)—D. E. Kilgour, general manager, a director; Roger F. Wennerstrum, supervisor Des Moines, Ia. branch.

Industrial Development Bank (Ottawa) — H. M. Scott, chief of legal department; W. L. Mundy, chief insurance dept.; E. R. Clark, assistant supervisor, Vancouver regional office.

Ivy Lee and T. J. Ross, public relations firm (New York) — D. D. Frank, former public relations director Montreal Locomotive Works Ltd., joins staff.

Gordon Mackay & Co. (Toronto) — John Shields, sales manager; Cecil Rose, assistant manager, staples; James Watt, assistant manager floor covering; Jack Rendall, manager Hamilton office.

McCann-Erickson (Canada) Ltd. (Toronto) — E. W. Hayter, Toronto, president; J. L. Dampier, Montreal, vice-president; Duncan MacInnes, Toronto, secretary-treasurer.

George McMurrich Sons Ltd. (Toronto) — Harold S. Lever, president and managing director, succeeding W. Rae Blight, who resigns as president but continues as director; G. Donald McMurrich, vice-president.

Meakins & Sons Ltd. (Hamilton)— Murray Proctor, director.

Moore Business Forms Ltd. (Toronto) — D. Lloyd Millar, general manager eastern division, and R. G. Reginald Govan, general manager, western division, vice-presidents.

Moore Corp. Ltd. (Toronto) — Graham F. Towers, director.

National Canadian Bank (Montreal) —J. Alex. Prud'homme, Q.C., director Aluminum Co. of Canada and Pierre Beauchemin, president Sullivan Consolidated Mines Ltd., directors.

Nesbitt, Thomson & Co. (Montreal) —J. I. Crookston, vice-president, resident in Toronto; J. R. Oborne, Ontario manager and a director.

Ontario Highways Dept. (Toronto) — J. Gordon McMillen, acting financial comptroller; J. L. Zoller, financial comptroller relinquishes his duties due to ill-health.

Paul-Phelan Advertising Ltd. (Toronto) — Reginald J. Perry, vice-president and a director, in charge of new Quebec Division, University Tower, Montreal.

Philips Industries Ltd. (Leaside, Ont.) — John D. Vass, general sales manager.

Phoenix-Connecticut Insurance Group (Montreal) — Gerry F. Henslow, manager for British Columbia succeeding G. R. Turner, resigned to join BCUA.

Pilkington Glass Manufacturing Co. (Toronto) — G. R. Boyd, works manager, Scarborough plant.

Quebec Department of Mines (Quebec, Que.) — Dr. Jean Dugas, resident geologist for Rouyn-Noranda mining district.

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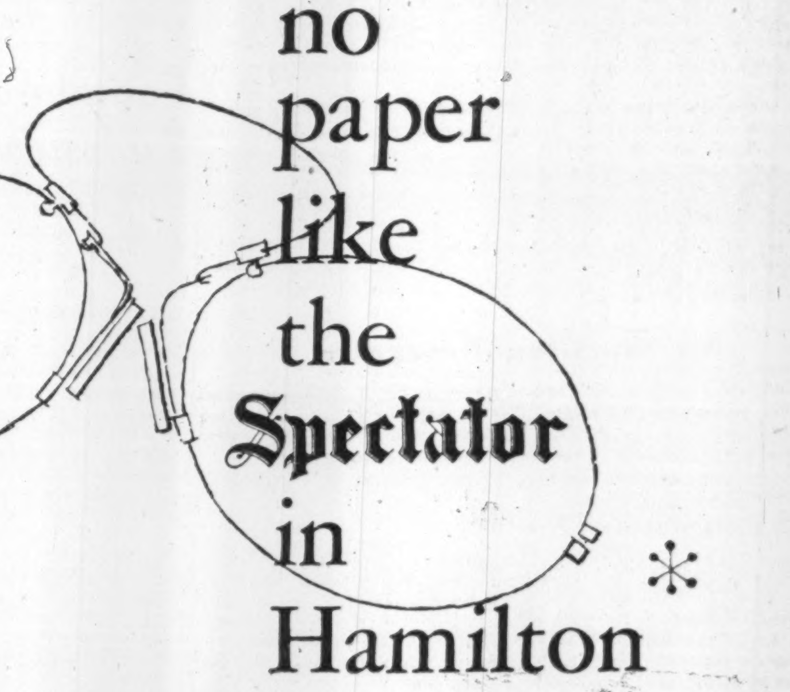

The reason is obvious—

—The Spectator has saturation coverage of Hamilton.

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Predict More Employment For Winter Months in '56

(Continued from page 1)
seasonally adjusted figures which the labor department is not releasing in detail. But they give this general picture:

In the spring and summer of 1955, Canadian jobs were increasing 1½% from quarter to quarter. If you leave out farm work, which is declining, the increase was 2% from quarter to quarter.

Rate of Job Growth

This rate of job expansion slowed down from the third to the fourth quarter, even after making allowance for the seasonal factor.

The rate of growth from third to fourth quarter was only 0.6%, instead of 1.4% and the rate of growth in nonfarm employment dropped from 2% to 1%.

Since the monthly figures are always liable to some error, it is safest to take quarterly averages; and these percentages are based on the averages. But the great 1955 boost in job opportunities is shown in the comparison between the last quarter of 1954 and the last quarter of 1955.

The labor force increased by 144,000 in the 12 months.

The number of Canadians with jobs increased by 190,000. The number of Canadians without jobs and seeking work dropped by 46,000.

The change is much more striking if you separate industrial employment from farm work.

Industrial employment increased by 312,000 between the last quarter of 1954 and the last quarter of 1955. The number of Canadians working on farms fell by 122,000.

Not much is known about the big drop in the number of farm workers. The usual fall decline started much earlier this year than in 1954, presumably because the harvest was in much earlier and hard weather started sooner.

There is also the known improvement in output per man on the farm, which is a long-term trend. But the year-to-year drop is still striking compared with the increase in nonfarm jobs.

Within the industrial sector, the biggest employment increases during 1955 were in manufacturing, trade and services, which between them account for about 70% of the paid-worker total.

But there's a marked contrast between manufacturing, on the one hand, and trade and services on the other.

Employment in trade and the services has been rising steadily from year to year. Manufacturing employment, in spite of the steep rise in 1955, is still trying to recover the ground lost between the summer of 1953 and last winter. It is still well below the high level reached in 1953.

More "Rosies"

One unpredictable factor bedeviling all predictions of the level of unemployment, besides the weather, is the degree of labor force participation. An unexpected increase in the number of women considering themselves to be in the labor force is one of the reasons why the December unemployment figure has proved somewhat disappointing to those who were closely following the trends in employment.

From month to month the proportion of Canadians who regard themselves as workers has not been varying much recently from the previous year. But in December the proportion of women appearing as members of the labor force suddenly jumped up by almost 1% — from 23.7% in December, 1954, to 24.6% last month.

As a result the total labor force increased by 7,000 from November to December, whereas last year it dropped by 3,000. The sampling error, on which these figures are based, is in fact great enough to rob them of much significance. But when they are reflected in the number of unemployed, they can make quite a big difference: which is another reason for not basing too definite conclusion on one month's figures.

HARRY K. HUTCHINS

has been appointed vice-president, Foote, Cone & Belding (Canada) Ltd.

Auto Production

	Wk. End. Jan. 13	To Date 1956	To Date 1955
Chrysler	2,650	4,734	4,270
Ford	2,999	4,798	....
GM	strike	....	7,267
Am. Motors*	128	223	69
Stude.-Pack. .	240	432	187
Totals ...	6,017	10,187	11,793
Prev. wk. .	4,170	....	....
Last yr. ..	6,068	....	....
TRUCKS			
Chrysler	169	369	189
Ford	504	951	....
GM	strike	....	1,251
Internat'l ...	337	595	197
Totals ...	1,010	1,915	1,637
Prev. wk. .	905	....	....
Last yr. ..	869	....	....

*Nash and Hudson now combined under American Motors heading.

St. Laurent Tosses Tax Ball To the Provincial Premiers

(Continued from page 1)
9% — perhaps taking up part of any reduction in federal corporation taxes — or if it sees any advantage in having corporations subject to its tax rule, then it may decide to levy its own corporation income taxes.

It could do so very cheaply. With a very small staff it could require Ontario corporations to file at Queen's Park a duplicate of their tax returns to Ottawa, with a cheque for 9%, 10% or 12% or any other percentage of the profits earned in Ontario.

Ottawa will exact no price for this independent provincial collection. But there is no sign that it will go out of its way to facilitate it. It will certainly provide duplicates of its tax blanks. It will not — under present tax law, cannot — give Queen's Park copies of the completed forms. It will not accept any obligation to tell Queen's Park about new companies established in the province, nor about the corrections it makes to completed tax returns. Ontario would have to do its own checking and inspection.

At next month's conference of federal and provincial tax officials it is possible that Ontario, or another province, may ask Ottawa to collect its corporation taxes for it. Federal spokesmen — possibly in unguarded moments — have stated during the fall that federal collection might be done for a fee.

Prime Minister St. Laurent's letter to the provincial premiers deliberately makes no mention of this collection problem. It remains for future decision. But this is the relevant point.

—If Ontario (or any other province) means to stick to the 9% of profits which Ottawa will abate anyway, it doesn't seem to gain anything by levying the tax itself instead of renting it.

—If it means to go above the "Standard" 9%, then the Federal Government probably won't want the odium of being the collecting agency. Anything above the permitted 9% abatement will be "double taxation." If a provincial government wants to go in for that, Ottawa will probably want to make it very clear that the extra is going to the provincial government. Therefore, why should it accept the responsibility of doing the collection?

British Columbia poses another question mark. Utterly dissatisfied with the federal formula as presented to the October conference, it has received one important concession in the Prime Minister's new offer in the form of what is called a "stabilization payment." It has never been anxious to collect its own taxes, but it has unsuccessfully urged that Ottawa should take more account of the "taxable capacity" of the province.

The way is now open for Premier Bennett's Government to levy it own income taxes on persons or corporations without forfeiting anything serious. It appears that the B. C. base for corporation taxes may be too liable to fluctuation to make it particularly attractive to Premier Bennett and his advisers. But certainly the province has a higher potential yield from personal taxes than most of the rest of the country. It is for the Government at Victoria to decide whether the potential yield is good enough to justify establishing the machinery to collect taxes on individuals which might be higher than those in the rest of the country.

Why Aluminium Ltd. Backs 10,000-ton India Smelter

MONTREAL (Staff)—A major reason for Aluminium Ltd.'s plan to back a new aluminum smelter of 10,000 tons annual capacity in India is based on sound business considerations.

India is a tremendous potential market. At present consumption amounts to about 15,000 tons yearly, or a meagre per capita consumption of one tenth of a lb. per year and compares with 20 lb. in the U. S. and about 15 lb. in Canada.

For the market of about 400 million people with increased industrialization, the long-term picture appears bright. In Israel, Japan or the Union of South Africa the average annual per capita consumption is about one lb. of aluminum.

The plans for the new aluminum smelter in Central India at Hirakud in the State of Orissa were certainly not precipitated by reports that Russia was prepared to lend money for industrial development. It was suggested these funds would be used for construction of a 100,000-kw power plant in South India and also for an aluminum industry.

At present India's aluminum needs are supplied from three chief sources:

—Indian Aluminium Co. has a smelter in the south in Travancore State where capacity was recently doubled to 5,000 tons of ingot annually. They now partially meet the needs of the company's own rolling mills and extrusion plant as well as other fabricators in the country.

—Aluminium Corp. of India, a domestic primary producer, has an output of about 2,000 tons yearly.

—Aluminium Ltd. exported about 6,000 tons in 1954 to India, chiefly from the output in Quebec of Aluminum Co. of Canada.

Construction on the new plant is expected to begin late this year for completion in 1958. The smelter will be developed in conjunction with a multipurpose power project now nearing completion by the Government of the State of Orissa. The smelter will be able to be expanded to 20,000 tons capacity "as conditions warrant."

Bulk of the financing for the new expansion will be largely in India. Capital investment will amount to about $15 millions and will almost treble Indian Aluminium Ltd.'s present assets. It is expected to be financed by offerings in India of unsecured notes convertible into common shares and through bank loans and retained funds. Aluminium Ltd. has agreed to subscribe for 50% of the convertible notes which are understood to represent about $2 millions. There are about 3,000 private investors in the Indian company.

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Seaway Men Study Panama

(Continued from page 1)
shapes up as a year of steady work on various projects due for completion in 1957 and 1958 (the Seaway is to open in spring, 1959). But certain contracts will be completed this year:

—Enlargement of piers 1 to 11 of the Jacques Cartier Bridge at Montreal, preparatory to the eventual raising of the southern span of the bridge, is to be completed by Sept. 30, at a cost of $779,267.

—Excavation of 4,200 lineal ft. of part of the overland channel from Ste. Catherine Lock toward Caughnawaga, on the south shore of the St. Lawrence west of Montreal, is to be completed by Nov. 30, at a cost of $1,153,000.

President Eisenhower has announced that by the end of this year, the U. S. will have completed nearly half of its part of the Seaway. By July, 1958, the Seaway should be open for ships up to 14 ft. draft, he said. Full-scale 27 ft. navigation should be possible the following spring.

Stelco, Dosco Co-operation Helps Ease Steel Squeeze

(Continued from page 1)
somewhat easier in second quarter of this year, Canadian steel officials see no sign of any easing at least until third or fourth quarter. In U. S. an estimated 25% of total steel output goes into autos; in this country only some 6-7%.

Not only are there no indications yet of a similar slow down in auto production in this country — assuming the General Motors strike is settled shortly — but heavy steel orders for railway car production coupled with steel requirements for steel companies' own $125 million expansion program will tend to maintain demand at peak levels. Any noticeable easing in demand in U.S. in second or third quarter would not have any appreciable impact here for three to five months, steel officials tell The Post.

Quebec Opposition Ready To Fight Newsprint Bill

(Continued from page 1)
not less than $6,000 and not more than $15,000 (for second offence not less than $30,000 and not more than $150,000).

Quebec pulp is not a big factor in the U. S. market, so the restriction on export is unlikely to force the U. S. to lower tariffs to let more of our papers other than newsprint into the country. Stanford Institute's study for Weyerhaeuser suggested U. S. imports of pulp might actually decline from the current level in the next 25 years. But a few Quebec mills make only pulp, and legally they now can't ship any because main markets are outside the province.

Division III which sets up the board comes into force only on publication of regulations in the Quebec official gazette. Size of levy against individual producers (section 18) is entirely at the discretion of the board. There is no indication as to whether it will be based on the size of the firm or its shipments or what.

Sales To Publishers

In section 8, mill must supply newsprint "against payment of the price legally eligible," or be liable for damages. Terms of sale normally vary somewhat, depending on customer's credit rating.

This suggests the mill may be forced not only to sell to Quebec papers but also on terms another mill agreed to, even if it considers consumer a poor credit risk.

Section 5 provides for equitable apportionment among the paper mills of newsprint to be shipped to Quebec newspapers. Does this mean that Consolidated, by far the biggest supplier of newsprint to provincial publishers, will now be able to ship to more profitable markets in U. S. and elsewhere?

Section 6 puts newspapers squarely under the control of the board by the provision that the board may reduce the allocation if circulation or size of paper is reduced or "any other circumstance."

Section 17 provides that board decisions shall be without appeal and cannot be reviewed by the courts.

On Anglo-Canadian, its contracts are written on the basis that price shall be the average of the prices charged by three largest mills. Most contracts of this type say "not more than" average price, so the latest increase of $1 was automatic. There is some belief here that the City of Quebec and Anglo-Canadian had already agreed to raising the valuation of its properties for school and tax purposes, and that Duplessis pushed the bill through quickly to exhibit his annoyance with pulp and paper firms publicly. This and the Newsprint Control Bill are good election stuff to help offset charges that he sold out other resources (e.g. iron ore) too cheaply.

Press Comment

Over the week end, a few important Quebec newspapers, namely Montreal Le Devoir and Quebec Le Soleil commented on the situation.

In an editorial couched in very prudent terms, the not-too-ardent Liberal Le Soleil says: "While pretending to correct an injustice, the Government wants to establish a control over the paper industry, under the rule of a commission with exorbitant power which would one day endanger the existence and independence of the newspapers."

And the editor candidly adds: "It could probably be the result of an error from the bill's editor. . ."

In the following paragraph, the newspaper publisher states that "newspapers anxious over their future are forced to file a 'prudent' claim against a clause which contains a real threat which would be tolerable only in countries where the democratic regime has collapsed."

It is apparent that newspaper publishers had not asked for special government protection against newsprint price increases at this time and that there was no collusion between them and Duplessis. Proof of that can be found in the editorial in which Le Soleil's publisher reproaches federal and provincial authorities alike for not advising and consulting the interests involved before announcing measures of such exceptional importance.

Then, at the end of the article, Le Soleil states "in due justice for our furnishers, Anglo-Canadian Pulp and Paper mills have not yet asked for the increase which has taken effect December last."

The importance of the bill is emphasized by the fact that more than half of Canada's newsprint mills are located in Quebec — 22 all told—while several other small mills turn out groundwood or sulphite pulp for newsprint. Together, they turn out more than three million tons a year of newsprint worth nearly $400 millions. This is about 25% of the world's supply of newsprint. Together with the other pulp and paper companies in Quebec, they employ over 30,000 people permanently and more than 100,000 seasonally in woods operations.

Look For It Here

January 21, 1956

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NAME ....
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Calgary Plant Will Use Alberta Scrap

CALGARY—Construction of a $2 million plant to manufacture cast iron water pipe will start in the eastern section of the city this spring on a 20-acre site.

It is being built by Anthes-Imperial Co., St. Catharines, Ont., to extend service in the western market.

Anthes-Imperial President D. G. Wilmot said the plant will make 4-in. to 12-in. pipe in 18-ft. lengths and most of the pig and scrap iron and steel it uses will come from Southern Alberta. Coke will be imported from the U. S. as Canadian coke is deemed unsuitable for the melting and pouring process.

The plant will be one story high of mill type construction, occupy about 50,000 sq. ft., and employ 75 people.

It will be the company's fifth manufacturing unit. Other plants are in Edmonton and Winnipeg, and two in St. Catharines.

LEP TRANSPORT (Canada) LTD.
CUSTOMS BROKERS AND INTERNATIONAL FREIGHT FORWARDERS
Take pleasure to announce that

ARTHUR LAING, M. B. E.

former Collector of Customs & Excise for the Port of Montreal, has joined their Organization as Chief Consultant in matters affecting Customs, Excise and Sales Tax.

UNIVERSITY OF TORONTO . . . UNIVERSITY EXTENSION
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In practical, everyday language, this course enables you to obtain a clear understanding of investment terms, principles and procedures, and their use in the wise investment of your money.

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The fee for this course is $12. For information on Course Content and registration write to: THE DIRECTOR OF CORRESPONDENCE COURSES, UNIVERSITY EXTENSION, 65 ST. GEORGE STREET, TORONTO 5, CANADA.

As principals we offer subject to prior sale

New Issue

THE ONTARIO JOCKEY CLUB LIMITED
$5\frac{1}{4}\%$ First Mortgage Sinking Fund Bonds
Series 'A'

To be dated January 1, 1956
To mature January 1, 1971

Redeemable at 105 and accrued interest to January 1, 1957, premium declining thereafter to maturity

PRICE: 100.00 and accrued interest
YIELD: 5.25%

BURNS BROS. & DENTON
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Ottawa Hamilton Winnipeg

Want to Know

What's What in the French Farm Family Market?

Ask La FERME!

Yes, if you want to know what's what in the French farm family market (not merely Quebec, for though a large part, Quebec is still only part of it) ask La FERME. Its staff has the experience, the contacts, and the intimate knowledge to give you most of the answers offhand—and it knows where to dig up the rest! This is much too big a market to leave to guesswork and hearsay. Let La FERME supply the facts, and help you interpret them.

For full information on the French farm family market, and this French farm family medium, draw freely on

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Because of its wide circulation and low line rate, la FERME makes an excellent medium for a test campaign.

SELECTED BOND OFFERINGS

Security	Rate	Maturity	Price	Yield
Government of Canada	3%	1959	99.45	3.20%
Province of Ontario Gtd. Hydro	$3\frac{3}{4}\%$	1966	99.75	3.78%
Province of Ontario Gtd. Hydro	4%	1976	101.25	3.91%
Regent Refining (Canada) Limited	$4\frac{1}{4}\%$	1975	96.25	4.54%
Bicroft Uranium Mines Limited	5%	1962	98.50	5.30%

We, as principals, offer these securities subject to prior sale and change in price.

BANKERS BOND CORPORATION
LIMITED
Business Established 1912
44 KING STREET WEST, TORONTO
KITCHENER LONDON HAMILTON

Why They're Moving

Facts and comment on what's going on in the market and what's behind some of the moves.

Canadian stock markets have been holding up against declines in the pace-setting New York market. Actually, since the beginning of the year, Canadian industrials show slightly higher levels according to popular indicators. However, Wall Street is down to the lowest point in about two months. So far in 1956, New York has dipped about 3%, according to the Dow-Jones Industrial Average.

Reason for the relative firmness in Canadian stocks as compared to American issues is said to be previous failures of Canadian issues to swing as sharply higher as U. S. stocks in the late fall and the beginning of this month when they bounced back quickly to previous highs.

* * *

Shares of companies in Garfield Weston empire show easier tendencies following heavy buying and sharply rising prices late in 1955. Here's a table showing what has happened to some of the key firms in this food colossus.

	Now	End 1955	End Nov. '55	1955-56 High	1955-56 Low
G. Weston A	$33¾	$35⅜	$37¾	$ 37¾	$29½
G. Weston B	33½	26½	37¾	37¾	29¼
Loblaw B	91	98	87	104	68
Loblaw Inc.	86½	90½	79	91	58

* * *

THE STREET IS TALKING ABOUT—Dominion Tar & Chemical at $13¼ nudging its high of $13½ and up almost 75c so far this year. Company reported to have enjoyed record earnings in 1955 with street guesses running at about $1.20 a share, compared with 56c a share for 1954. Odd optimist talks of $1.80 a share . . . **Canadian Pacific Railway** a strong spot in otherwise weak leaders with interest high in U. S. Shares at $34 up from $33¼ in a week . . . **International Petroleum** is another interlisted issue that resists downward trend on Wall Street in adding a fraction at $29⅝ with rumor saying parent company Standard Oil (NJ) planning to offer to buy more shares. Esso already holds about 80% of International Pete common. Another Esso subsidiary, **Imperial Oil** drops back to $38¾ from $39½. Company announces planned record expenditures of $115 millions this year.

* * *

Trans-Mountain Oil Pipe Line still churning higher hits top of $50 before settling back to $49¼. Stock has come up from $38 at the beginning of December with reports circulating of new interests holding large blocks (The Post, Jan. 14) . . . **Interprovincial Pipe Line** bounces up $1 to $28¾ on news that company is stretching its crude carrier to a Toronto suburb but later settles back to $28⅜ . . . **Atlas Steels** comes up from $18 to $18¾ in two weeks as sharply improved earnings expected and company announces formation of titanium processing subsidiary in association with a U. S. firm

* * *

Mexican Light and Power settles back slightly to $15¾ from $16 a week earlier but is still up from 1955 year end level of $15½. A U. S. investment firm—New York Hanseatic Corp.—notes company sees need for $200 millions of plant expansion to keep pace with growth over next nine or ten years. The company must be able to attract substantial amounts of capital from the private market. Government realizes that rates must be at levels sufficient to provide profits and dividends that will bring in this capital. If earnings improve, says the analysis, there would be every prospect of considerably higher dividends.

* * *

Sun Publishing shares have crept up quietly from $13½ following five-for-one stock split last fall to about $15½. Shares trade infrequently. Previous to split stock was selling at about $70 and had almost doubled in price from $36 level early in 1955. Dividends on the new stock of 20c cash plus 40c in redeemable preferred stock expected, says an analysis by Pemberton Securities. Major interest of this company is daily newspaper in Vancouver and other interests include a radio station, a U. S. publishing firm and a large interest in a mountain resort firm.

* * *

OVER-THE-COUNTER—Feature here was a U. S. issue—**Ford Motor.** This is the stock being sold to the public by the Ford Foundation **at $64.50 a share.** Ford Motor traded in Canada on an "as, if and when issued" basis and surged up to about $69.50, indicating heavy oversubscription of the original offering. At the time the shares were being traded in Canada, U. S. dealers were unable to participate because of securities laws which prohibit trading before offering has been "blue-skied." . . . **Manufacturers Life** jumped $10 to about $280 with buying said sparked by report that a partner in a U. S. investment firm has become a director of the Canadian firm. This reflects major U. S. interest in Canadian life companies in recent years . . . **Isotope Products** sells briskly lower to $4-$4.50 range from $4.75-$5.25 previous week after news of planned financing through issuance of rights (The Post, Jan. 14).

* * *

OVERSEAS MARKETS—Prices slip back in line with softness on Wall Street. Activity dries up on the decline and brokers report dip largely result of a lack of demand rather than increase in selling. **Bowaters** down about 30c in $6.65 to $6.80 range. **British Aluminium** slips about 25c to $6⅝ to $6⅞. Considerable interest in this aluminum company following plans to build smelter in Canada. Importance of Canadian expansion is shown by fact that company now has total assets of £26 millions while cost of plant here will be £46 millions. Three-stage smelter will have eventual capacity of 160,000 tons annually which is expected to be just enough to take care of anticipated growth in U. K. market for the metal by 1965. Britain now uses about 300,000 tons aluminum annually of which only 30,000 tons are home produced.

Control of Toronto Brick Acquired By German Firm

Purchase of Toronto Brick Co. by Frontenac Floor & Wall Tile Ltd., Kingston, Ont., a major German construction firm, is broadening its interests here.

Frontenac is the Canadian subsidiary of Agrob (A.G. Für Grob und Feinkeramik), a Munich construction firm. (The Post, Oct. 8, 1955.)

Agrob is the biggest tile producer in Europe and turns out 90 million bricks a year. It has seven plants in Germany, employing 3,000 in the production of floor tiles, wall tiles, bricks and insulators. It also has a plant in Belgium and another in Spain.

Agrob decided to enter Canada after studying and finding the construction field here "most encouraging," company officials who have just arrived from Germany told The Post.

At the Frontenac plant, which it took over in July, it is carrying out modernization and expansion with the installation of new equipment, importing some of the more specialized pieces from Germany.

Frontenac acquired a majority of the 163,245 Toronto Brick common outstanding at $18 per share. The stock has been trading around this figure recently and has been as high as $19.50 and as low as $17 during the past year. Should the minority shareholders agree to sell their shares at this price Frontenac will have acquired all the outstanding common stock for approximately $2.9 millions.

It is understood that the purchase will not involve any changes in production or personnel.

Minority shareholders have until Feb. 15 to sell their shares at $18. Directors have sold their shares at this price. It is expected that company earnings for 1955 will be somewhat higher than for 1954, a company spokesman told The Post. Annual report is expected to be available late in March.

Toronto Brick showed a net profit of $445,948 for 1954, which was 12.7% higher than net profit of $395,727 in 1953. Net profit for the six months ended June 30, 1955 was $238,570, 2.6% higher than net profit of $232,585 in the corresponding period of 1954.

Ont. Broker-Dealers' Will Meet in Toronto

The Broker-Dealers' Association of Ontario has re-elected by acclamation its board of governors. Members are: Harry Brown, Brown Baldwin & Co.; J. A. Henley, Imaco Corp.; A. C. McLean, A. C. McLean & Co.; M. A. Moysey, Hevenor & Co.; C. T. Smith, Seigneur Securities Ltd.; W. E. Smith, William E. Smith; James Stewart, James Stewart Securities Ltd.; E. M. Robertson, Robertson, Malone & Co.; and A. K. B. Williams, A. K. Williams & Co.

The annual meeting will be held in Toronto on Jan. 21.

SEC May Ease Regulations

Less stringent regulations governing the sale of small speculative stock issues ($300,000 or under) than originally proposed last July are presently being drafted by the U. S. Securities and Exchange Commission and will be announced shortly.

Principal change in the July proposals to amend and consolidate SEC regulations A and D is in the "escrow" provision, opposed by Canadian dealers (The Post, Nov. 19). This required impounding proceeds of sale of shares unless at least 85% of the total offering is sold within six months.

The commission now proposes that the issuer and principal underwriter undertake to return to the purchaser 85% of the offering price of the shares sold if less than half of the issue is sold within six months.

Here are some of the other changes in the July proposals the SEC is considering:

—Canadian but not U. S. issuers would be required to qualify their securities for sale under state or provincial "blue sky laws" in the state or province of their principal business operation.

—Issuer and principal underwriter would have to undertake not to sell or distribute to the public for at least one year securities issued to "insiders."

—In addition to the offering circular and limited advertisements such as "tombstone advertisements," reports such as are normally sent to securities holders would also be permitted. Such reports, however, would be required to be filed with the commission when used in connection with a public offering.

These New Issues Sold This Week

The volume of bond issues is continuing at a high level with a $7.9-million **Loblaw Leased Properties Ltd.,** 4½% first mortgage sinking fund series C bonds, maturing Feb. 1, 1981, placed on sale this week.

Issue was offered at 99 plus accrued interest by a syndicate headed by McLeod, Young, Weir & Co. Bonds yield about 4.57%.

B. C. Forest Products Ltd. has placed privately a $25-million issue of 4½% 20-year sinking fund series A bonds maturing Jan. 15, 1981. Bonds will be dated Jan. 15, 1956, and will be ready for delivery Jan. 31. They sold at par plus accrued interest and yield 4½%.

A $30-million issue by **B. C. Electric** will be offered soon, it is reported.

The City of Montreal will seek $20 millions in new money later this month. The debenture issue is part of a $60-million financing the city hopes to accomplish by April, 1957. Tenders will likely be called on Jan. 31.

ANNOUNCEMENT

DENTON B. CREIGHTON

Announcement is made by Nesbitt, Thomson and Company, Limited, of the appointment of Denton B. Creighton as Vice-President of the Company in charge of sales. Mr. Creighton has been associated with the firm for over 30 years and has been a Director for the past 14 years.

Financial Surveys

We are preparing financial surveys of a number of Canadian corporations and banks, which present in a concise manner, historical and statistical data, including a market chart and recent published information.

The following surveys are among those available:

Abitibi Power & Paper Company, Limited
The Bell Telephone Company of Canada
Canadian Pacific Railway Company
The Royal Bank of Canada

Copies will be forwarded to you without obligation on request to our nearest office.

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Limited
Toronto Montreal Winnipeg Vancouver Halifax
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Alfred
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ADDITIONAL ISSUE

$7,900,000

Loblaw Leased Properties Limited

(Incorporated under the laws of Ontario)

4½% First Mortgage Sinking Fund Bonds, Series C

To be dated February 1, 1956 — To mature February 1, 1981

Principal and half-yearly interest (February 1 and August 1) and redemption premium, if any, are to be payable in lawful money of Canada at any branch in Canada (far northern branches excepted) of the Company's bankers, at the holder's option. Bonds are to be issued in coupon form in denominations of $500 and $1,000 registerable as to principal only and in fully registered form in denominations of $1,000 and authorized multiples thereof.

The Series C Bonds are to be redeemable otherwise than out of sinking fund moneys at the option of the Company in whole at any time or in part from time to time on not less than 30 days' notice at the principal amount thereof plus a premium of 3% of such principal amount if redeemed on or before February 1, 1957 such premium thereafter decreasing ⅛ of 1% of such principal amount for each year commenced or elapsed from February 1, 1957 to the date specified for redemption up to and including February 1, 1980 and thereafter and prior to maturity at the principal amount thereof, together in all cases with accrued interest to the date specified for redemption; provided that the Company may not redeem Series C Bonds before February 1, 1961 for the purpose of refunding by the issue of other funded obligations at a lower rate of interest.

The Series C Bonds are to be redeemable out of sinking fund moneys at the principal amount of such Bonds plus accrued and unpaid interest to the date specified for redemption.

Sinking Fund

The Company will covenant to establish a sinking fund for the Series C Bonds by paying to the Trustee a sum sufficient to provide for the retirement of $316,000 principal amount of such Bonds on February 1 in each of the years 1957 to 1980 inclusive. Such sinking fund payments together with an additional payment of a sum sufficient to retire $316,000 principal amount of Series C Bonds on their maturity date will provide for the retirement of the Series C Bonds in full.

Trustee: National Trust Company, Limited

In the opinion of Counsel these 4½% First Mortgage Sinking Fund Bonds, Series C, will be investments in which the Canadian and British Insurance Companies Act states that a company registered under Part III thereof may invest its funds, without resorting to the provisions of subsection (4) of section 63 of the said Act.

We, as principals, offer the 4½% First Mortgage Sinking Fund Bonds, Series C, subject to prior sale and change in price, if, as and when issued and accepted by us and subject to the approval of all legal matters on behalf of the Company by Messrs. Blackwell, Hilton, Treadgold & Spratt, Toronto, and on our behalf by Messrs. Borden, Elliot, Kelley, Palmer & Sankey, Toronto, who are also Counsel for Loblaw Groceterias Co., Limited, the vendor of the properties acquired and to be acquired by the Company as referred to herein.

Price: 99 and accrued interest to yield about 4.57%

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

It is expected that Bonds in interim form, subsequently exchangeable for definitive Bonds when available, will be ready for delivery on or about February 1, 1956.

A copy of the offering prospectus will be promptly furnished upon request.

McLeod, Young, Weir & Company
Limited

Wood, Gundy & Company
Limited

W. C. Pitfield & Company,
Limited

ANNOUNCEMENT

J. I. CROOKSTON — J. ROSS OBORNE

Announcement is made by Nesbitt, Thomson and Company, Limited, of the appointment of J. I. Crookston as Vice-President, resident in Toronto, and J. Ross Oborne as Ontario Manager. Mr. Oborne has also been elected a Director of the firm. Both Mr. Crookston and Mr. Oborne have been associated with the Company for many years, and their new appointments reflect the firm's widening activities in Ontario.

POLICY SQUEEZE — By FRANK KAPLAN

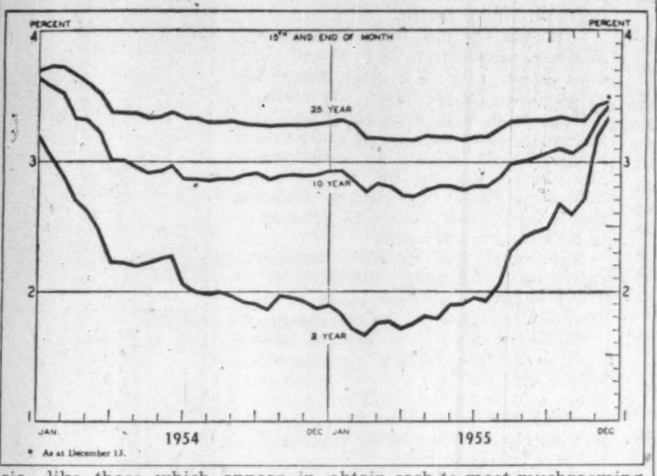
Bond Yields' Gap Narrows

Short-Terms Attractive; Capital Works Encouraged

Short-term government bonds are becoming more attractive for large investors as the difference in yield between a long-term maturity and a short issue narrows.

As the accompanying chart of yields on theoretical issues shows, return is close on money invested in three varying Government of Canada maturities. Although the 25-year maturity has climbed slightly as interest rates rose generally, the 10-year issue has improved in yield even faster and yield on a two-year bond has climbed rapidly since mid-1955. (These are theoretical issues which are used as indications of trends in interest rates.)

Theoretical Canada Bond Yields



The Canada 2's of '58 are selling to yield 3.25%, 3% of 1966 are at 3.30%, while a theoretical 25-year Canada bond might be sold at about 3.40%. (There is no 25-year maturity outstanding.) This is a difference of only 15c per $100 of bond between the 1958 and 25-year maturities.

This means that the investor who puts his money into a bond coming due in two years will get a rate of return only slightly less than what is obtainable on money invested for 25 years.

At first glance this situation appears unusual but investment experts explain that it has happened in the past. There have been periods when yields on short-term government bonds were higher than those available on longer maturities.

The present situation in only slight differentials in yields is the result of Bank of Canada policy aimed at tightening credit in view of some signs pointing toward inflation.

It emphasizes the policy of taking steps to inhibit what it considers dangerous short-term tendencies like those which appear in rapidly rising consumer credit while leaving the economy in position to continue long-term growth.

The Bank Policy

The Bank of Canada, say bond traders, has been a regular buyer of long-term government bonds while taking steps to depress short-term bonds and thus increase yields. By maintaining a fairly stable level of yields on longer bonds, it shows a policy of continual encouragement to such fields as housing and natural resource development.

If long-term bond yields had shown the same increase as short-term issues, mortgage money would be more expensive since it is a long-run investment. Similarly, mining, oil and other companies who wish to undertake major capital expenditures programs like a large new plant are still encouraged to sell bonds that might mature in 20 years.

Had long-term interest rates increased as sharply as short-term rates, companies would have been discouraged from borrowing money for major expansion programs. Questions bothering bond dealers are whether this present narrowness will remain the rule for some time; whether present short-term rates are the correct level and rates will rise on long-term bonds; or whether short-term rates are too high and will fall back.

In the light of the factors which caused this climb in short-term bond interest rates, it might appear that they could soon settle back. Short-term rates started climbing shortly after midyear as Canada's chartered banks were forced to sell short-term bonds to obtain cash to meet mushrooming demand for loans.

The movement accelerated late in the year as the Bank of Canada used its "moral suasion" policy to increase secondary reserves in the banking system. After a series of increases in the bank rate there was some talk that the Bank of Canada might order chartered banks to raise their reserves to 9% of deposit liabilities from 8%. This would have forced the banks to dispose of some $800 millions or more of assets in a month.

It was decided that the banks would establish a secondary line of liquid reserves in treasury bills and day-to-day loans which would bring first and second lines of reserves to total of 15%. This move, say economists, has the effect of adding some $500 millions to reserves.

However, the banks are given until May to achieve this new reserve relationship. And the Bank of Canada took steps to see that more treasury bills were available by increasing its weekly offering. Whether the Bank of Canada provides the cash reserves to buy these bills remains a question.

At the time of the new ruling, banks certainly were not buyers of short-term securities and were probably, in most cases, already sellers. The result was that selling increased by the banks as they sought to establish the secondary reserve line.

And, in addition, it came at the end of the year when demands on banks were heavy in anticipation of heavy Christmas business.

The future pattern is up to the Bank of Canada monetary experts. If economic conditions in Canada continue good, it may be felt that the present narrow spread in yields should be maintained, thus tending to hold down the amount of money available for short-term lending while keeping up the pace of long-run development.

We have pleasure in announcing that

GEORGE H. BECK

has been elected a Director

of this Company.

BARTLETT, CAYLEY & COMPANY
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INTERIOR BREWERIES LIMITED

The following notice appeared in The Vancouver Sun newspaper on November 29th, 1955 and again on December 6th, 1955 in accordance with the provisions of a Deed of Trust dated June 15th, 1950 between Interior Breweries Limited and The Canada Trust Company and is published herein for information:-

INTERIOR BREWERIES LIMITED
NOTICE OF REDEMPTION OF BONDS

TO the Holders of the 4½% First Mortgage and Collateral Trust Bonds, Series "A" due June 15th, 1962.

NOTICE IS HEREBY GIVEN that on the 30th day of December, 1955, the above Company, pursuant to the provisions of a Deed of Trust and Mortgage dated the 15th day of June, 1950 between Interior Breweries Limited and The Canada Trust Company, intends to redeem all of its bonds which may then be outstanding.

The redemption price will be the principal amount thereof and interest accrued thereon to the date of redemption together with a premium of 2% of the principal amount thereof payable at the option of the Holder at any Branch of The Canadian Bank of Commerce, in Canada.

The redemption monies will be payable only upon the surrender of the said bonds with coupons due on and after June 15th, 1956 attached, and in the case of registered bonds, payment will be made only to or upon the order of the registered Holder thereof. From and after the redemption date, interest on the said bonds ceases and coupons for interest to accrue thereafter will be null and void.

DATED at Vancouver, B.C. this 28th day of November, 1955.

INTERIOR BREWERIES LIMITED,
PER: THE CANADA TRUST COMPANY, TRUSTEE,
VANCOUVER, B.C.

Dividend Changes

ONTARIO LOAN & DEBENTURE CO.—15c extra on new common payable Feb. 1, 1956 to holders of record Jan. 20, ex-div. Jan. 18. Regular payments 25c quarterly and in Feb. '55 paid 10c extra. Recent price: $28.

GREAT WEST COAL CO.—2½c on class B payable Feb. 15, 1956 to holders of record Jan. 31. 1955 payments: 10c in Apr. and 12½c in each of May, Aug. and Nov. Recent price: $8.

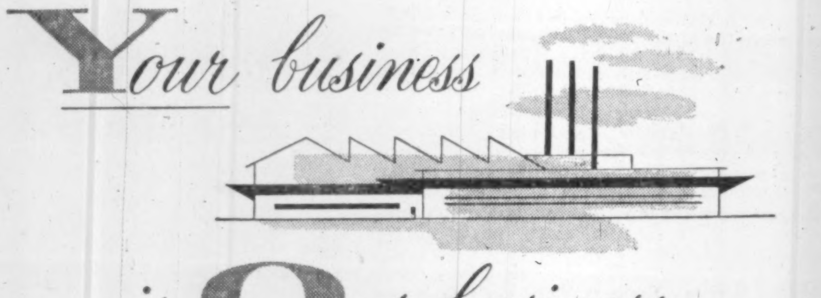
ROYAL TRUST CO.—25c plus 25c extra on capital stock payable Feb. 1, 1956 to holders of record Jan. 20. Regular payments 25c quarterly but paid 20c extra in '55.

CANADIAN INVESTMENT FUND LTD.—8c on special and ordinary stock payable Feb. 1, 1956 to holders of record Jan. 16. 1955 payments: 8c in Feb., 7c in May, 9c in Aug. and 10c in Nov. (total 34c). Recent price: $9.04.

LAURA SECORD CANDY SHOPS LTD.—25c on common payable Mar. 1, 1956 to holders of record Feb. 15, ex-div. Jan. 13. Paid 80c (20c per quarter) plus 20c extra in 1955. Recent price: $20⅛.

Lincoln Hosiery Plans Expansion

Lincoln Hosiery Ltd., St. Catharines, Ont., is planning to increase its production through the installation of additional knitting equipment. The company reports a substantial increase in profits for 1955 over 1954.



YES, part of our business at Canada Trust is your business. Whether you are thinking of buying, selling or appraising a business, you will be interested in our specialized Business Sales Division. Three important services of this division are:

1. to bring together persons interested in the purchasing or selling of businesses.

2. to provide the experience required to deal with the complex problems encountered in mergers and amalgamations.

3. to assist in the appraisal and valuation of large businesses.

Many questions relating to these services are answered in our booklet "Selling Your Business". Simply write or call Mr. F. E. Mullin, Manager, Business Sales Division, 110 Yonge Street, Toronto 1, Ontario.

HURON & ERIE - CANADA TRUST

THE CANADA TRUST COMPANY

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BAILEY SELBURN

Convertible Preferred Shares

*Price: at market**

to yield about 4.90%

• We have prepared a review on Bailey Selburn Oil & Gas Ltd., Convertible Preferred Shares which are listed on The Toronto Stock Exchange and Montreal Stock Exchange.

Our review describes the Company's operations and future prospects.

We recommend the Convertible Preferred Shares for growth and income.

*Approximate price $25.25 — (plus brokerage)

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2nd Floor, 67 Richmond St. W. — Toronto
EM. 4-4256 — EM. 8-3871

We take pleasure in announcing that

NORMAN F. CARNEGIE

has joined the Toronto office of our organization as a client's man.

Montreal, Halifax, Saint John, Ottawa, Cornwall, Toronto, Winnipeg, Calgary, Edmonton, Vancouver, Victoria

Hugh Mackay & Company
Members of all Stock Exchanges in Canada
44 King Street W., Toronto — EM 3-6144

These Debentures having been sold, this advertisement appears as a matter of record only.

$25,000,000

British Columbia Forest Products Limited

(Incorporated under the laws of the Province of British Columbia)

4½% Sinking Fund Debentures Series A

To be dated January 15, 1956 — To mature January 15, 1981

Principal and half-yearly interest (January 15 and July 15) and redemption premium, if any, payable in lawful money of Canada at par at any branch in Canada of the Company's bankers, at the holder's option. Coupon Debentures in denominations of $500 and $1,000 registrable as to principal only and fully registered Debentures in denominations of $1,000 and authorized multiples thereof. Redeemable (otherwise than out of sinking fund moneys) prior to maturity at the option of the Company as a whole at any time or in part from time to time by lot, subject to the provisions of the trust indenture, on thirty (30) days' notice at the principal amount thereof plus a premium of 4½% if redeemed on or before January 15, 1961; of 4% if redeemed thereafter and on or before January 15, 1966; of 3% if redeemed thereafter and on or before January 15, 1971; of 2% if redeemed thereafter and on or before January 15, 1976; of 1% if redeemed thereafter and on or before January 15, 1980 and thereafter and prior to maturity without premium; together in all cases with accrued interest to the date specified for redemption; provided that the Company shall not call these Debentures for redemption (otherwise than out of sinking fund moneys or unless required as a result of certain sales and disposals of assets as set forth in the prospectus) in whole or in part on or before January 15, 1966 in connection with a refunding operation by the application, directly or indirectly, of borrowed funds bearing interest at a rate of less than 4½% per annum; and provided further that in the event of certain redemptions required as a result of certain sales and disposals of assets as set forth in the prospectus no premium shall be payable. Redeemable out of sinking fund moneys by lot at the principal amount thereof; together in all cases with accrued interest to the date specified for redemption. The Debentures will be issued under a trust indenture to be made as of January 15, 1956 between the Company and Montreal Trust Company, as Trustee.

Sinking Fund

The Company will covenant in the trust indenture to pay to the Trustee as and by way of a sinking fund for the 4½% Sinking Fund Debentures Series A before January 15 in each of the years 1959 to 1961, both inclusive, a sum sufficient to retire on January 15 in each of such years $750,000 principal amount of these Debentures; before January 15 in each of the years 1962 to 1966, both inclusive, a sum sufficient to retire on January 15 in each of such years $800,000 principal amount of these Debentures; and before January 15 in each of the years 1967 to 1980, both inclusive, a sum sufficient to retire on January 15 in each of such years $1,250,000 principal amount of these Debentures. Such sinking fund payments and the retirement of $1,250,000 principal amount of these Debentures at maturity will be sufficient to retire all of these Debentures by maturity. Particulars concerning the sinking fund are more fully set out in the prospectus.

Trustee: Montreal Trust Company

In the opinion of counsel these Debentures will be an investment in which the Canadian and British Insurance Companies Act (Canada) states that a company registered under Part III thereof may invest its funds, without resorting to the provisions of subsection (4) of section 6[illegible] of such Act.

We, as principals, offer these Debentures, if, as and when issued by British Columbia Forest Products Limited and accepted by us and subject to prior sale or change in price and to the approval of all legal matters by our counsel, Messrs. Fraser, Beatty, Tucker, McIntosh & Stewart, Toronto, and by Messrs. Lawson, Lundell, Lawson & McIntosh, Vancouver, counsel for the Company. Messrs. Lawson, Lundell, Lawson & McIntosh will give an opinion in respect of matters of local law in British Columbia and the other counsel above-named will rely on such opinion.

PRICE: 100 and accrued interest to yield 4½%

Subscriptions will be received subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. It is expected that Debentures in interim form will be ready for delivery on or about January 31, 1956.

A copy of the prospectus has been filed with the Registrar of Companies for the Province of British Columbia.

W. C. Pitfield & Company, Limited	Wood, Gundy & Company Limited	Burns Bros. & Denton Limited
McLeod, Young, Weir & Company Limited	Greenshields & Co Inc	Gairdner & Company Limited
Midland Securities Corpn. Limited	René-T. Leclerc Incorporée	The Western City Company Limited
Pemberton Securities Limited	Ross, Knowles &Co. Ltd.	Collier, Norris & Quinlan Limited
	F. J. Brennan & Company Limited	

This Could Stunt Quebec

Much more than the newsprint industry in Quebec is concerned with Premier Duplessis' move to discipline the big paper companies. The whole province can lose, and lose heavily.

It is difficult to see how this latest Quebec legislation, coming on the heels of other discriminatory bills introduced by the Duplessis Government in recent years, cannot help but threaten Quebec's industrial growth. And anything that impedes that growth is bound to reduce the opportunities for the people of Quebec to be employed within their own province. If industry does not expand in Quebec, most assuredly its people will have to go outside the province to find free and adequate opportunity.

Not so many years back thousands of young Quebeckers left their native province every year in search of industrial jobs they could not find at home. Does Mr. Duplessis wish to see those narrow days return? They could return if the flow of new investment capital, the foundation of new industry and new jobs, is diverted elsewhere. From this new Quebec legislation one can hardly escape the conclusion that:

1. Any contract or understanding entered into in good faith between the province or a municipality in the province and an industrial company can be set aside by provincial legislation.

2. That the taxing power of the province can and will be used for political purposes.

3. That a single company or enterprise in Quebec can be singled out for punishment.

Obviously, this suggests that no one can invest money in a major development in Quebec with any assurance that the political and economic climate in which it will operate has any assured measure of stability.

Industries that are established in Quebec will in most cases, of course, find it too difficult to uproot themselves and move to other provinces to evade the dangers that they may see in such a situation. But new industries, which have a choice of location, will certainly not be attracted to Quebec by this kind of legislation.

Don't Clutter It

Opposition leader Drew has suggested that the Gordon Commission should be asked to make a study and interim report on wheat marketing. The wheat problem is urgent but there are two good reasons why it should not be foisted on Mr. Gordon.

First, the Gordon Commission is not a bin or repository for assorted economic problems. It has a specific job to do: it is charged with attempting to suggest what the Canadian economy may be like 25 years from now. Tossing current controversies its way would make it impossible for it to carry out its original assignment. The problem of grain marketing will probably be dealt with in the final report; but it will be presented as part of a total picture, not as a special individual crisis.

Second, to turn this problem over to the Gordon Commission would be to do what opposition parties often accuse the Government of doing: shelving it. Enquiries could be met with the soothing response that the Gordon Commission had taken the problem under its wing. Criticism could be blocked. This would be more unfortunate than usual if it were applied to the grain marketing problem, which is a matter that requires discussion and action here and now.

At Last a Break

There's hope yet for the long suffering taxpayer. Rumors from Ottawa say that the subsidy on sap buckets is to be abolished. That's a start toward economy.

Away back during the war something seems to have gone wrong with the buckets used for collecting sap from the maple trees in Quebec. At any rate Ottawa offered to help in the purchase of new buckets. But apparently it's a tedious business this buying new buckets. So every year parliament has voted $100,000. Now however, the job seems to have been completed so far as Ottawa is concerned.

With that matter finished it is hoped that some similar cases may get the necessary attention. There are several others, like the subsidy on the movement of feed grain, for example. It likewise came into existence during the war.

Britain needed meat and so to get Eastern and Central Canadian farmers raising pigs, Ottawa chipped in with most of the freight charges on western feed grain. Under this policy pigs could be fed just about as cheaply in PEI as they could right next door to a grain elevator in Manitoba.

Soon it will be eleven years since the war was over and long ago Britain turned to other and cheaper sources for bacon. But like Tennyson's brook the subsidy on feed grains goes on and on. So long as it does there is no encouragement or natural advantage for the western feeder located right beside where the grain is grown.

Traffic-Choked Cities

It takes as long now to get to the London airport from the centre of the city as it does to fly to Paris or Belfast, says a Canadian correspondent. Furthermore, he predicts the time is coming, when it may take as long to plow through that local traffic about Britain's capital as to fly the Atlantic.

That may be a bit far fetched, but certainly too much of the time now gained by fast air travel, is lost just as soon as we come down the ramp. And that is true whether we come down at the London airport or at Dorval, or Malton or Stevenson Field or almost anywhere else in Canada.

We have speeded up planes and trains. We are building wider and straighter highways. Once we are on these planes, trains or superhighways we move far faster than our forefathers ever dreamed of moving. But it is taking longer and longer to get through local traffic to where these faster planes, trains and highways start. It's the local traffic problem we have not solved.

This Business Needs Watching

One of 1955's lessons is this: economic stability, like freedom, exacts its price in eternal vigilance.

This comes from President James Muir at the Royal Bank annual meeting. And the need for a watchful eye is emphasized by the experience of last year which, he says, "began with an overhang of unemployment and slack trade" and ended with a build-up of "new inflationary pressure."

Head of Canada's largest bank, Mr. Muir sees danger signals flying as 1956 begins. These are "not so much in prices as in the frantic pace of consumer buying, business expansion, and the general tightness of markets in both commodities and labor."

But handling inflation is a tricky business and controlling an incipient inflation is more difficult still. Central bank policy can do much to curb it — but there are dangers. If controls are not selective, says Muir, curbing moves can go too far, cutting into healthy as well as unhealthy bank credit and moreover, some types of credit lie outside the control of the chartered bank system.

In his search for stability, Mr. Muir picked three areas as essential cut-back spots when dampening a big-spending mood. And his attitudes on these will give business an idea of the shape of credit to come. He says:

> "Consumer credit . . . like all good things can be carried to extremes. There need be no harm in this provided the consumer loan itself is financed out of saving—the consumer then borrows in order to spread his own saving over time. But if a great rise in consumer loans is financed through bank credit expansion, we have an expansion not of short-term, non-liquidating credit, but a long-term loan paid back only over a long period, and a consequent expansion of the money supply.
>
> "Term loans by banks to corporations and the purchase by banks of corporate bond issues are similar in effect . . . That is why it is essential in normal times, and especially when there is a threat of inflation, that term loans be financed out of the savings of the general public.
>
> "Mortgage loans by banks are a departure from traditional short-term bank financing. Long-term investment, this time in a home, is financed without a corresponding act of saving . . . Continued mortgage lending by banks together with other inflationary pressures undoubtedly made a contribution to instability in the economy."

No one, least of all the banks, is thinking of pushing anything resembling a panic button. Winter slow-down together with bank policy of tighter credit means "the three varieties of credit over-expansion may soon become less serious," assures Mr. Muir.

Home Consumption Only?

For Canadians, the most horrifying part of Mr. Dulles' interview in Life is the abyss that opens before us if what he implies about American foreign policy is true, or if that implication is not repudiated by the United States.

More than any other country, we have to depend on the good faith of the United States. More than any other ally of the United States, we feel the need to be treated with candor. We have listened to many American lectures on the importance of morality in international affairs. Sometimes we have felt that the insistence on a particular brand of morality has been pushed too far; but we have always given the United States credit for attempting to preserve what it felt to be a moral standard in international dealings. Even when this preoccupation with abstract morality seemed to interfere with the ultimately moral aim of keeping peace, we have respected it, on the ground that a neighbor who is reluctant to let convenience interfere with morality is a better associate than one who never lets morality interfere with convenience.

If, as the Life article suggests, however, the United States was ready to use atomic weapons on three occasions — and said so to its adversaries without consulting its allies — what price international morality? This sounds like an approach right out of Chapter XVIII of Machiavelli's "The Prince."

Canada has entered wholeheartedly into its association with the United States. In part, we have been aware that geography compelled such an association, for defense particularly. But we haven't dragged our feet. We have entered into the kind of arrangement that can only be founded on trust. As a nation, we want to go on trusting the United States.

The most common explanation of the Dulles interview and the tone of the subsequent press conference is that the material was prepared for political effect in this election year. What was overlooked in this and other Dulles pronouncements, however, was the political repercussions in other countries — especially Canada.

Better Watch Our Step

"It would be a useful thing if the United States and Canada could get together on some common plan to deal with their farm surpluses," suggests the Montreal Star. There will be some who will be doubtful of that advice. They will argue that there has been too much "getting together" already.

It was the United States, with its government policy of supporting farm prices at ridiculously high levels and thus stimulating excessive production that was largely responsible for the present surpluses. It was the United States that insisted in pushing prices up in the face of increasing supplies when the International Wheat Agreement was re-negotiated and so antagonizing the world's greatest wheat buyer, Great Britain, that she dropped out of the deal.

In this business of selling and growing wheat Canada has a far bigger stake than the United States. With us wheat is a major product and a big export market is absolutely vital. Any joint disposal plan is bound to cost us a great deal more than it will cost the United States and any suggestion of ganging up is liable to be misunderstood by world customers who may turn still further to other sources of supply.

For Canada wheat growing is a legitimate and necessary business. It is not some new sort of international charity or domestic politics.

Napier Moore's Scratch Pad

A RECENT EDITION of the Miami Herald published an interview with Canada's Lionel Chevrier, "president of the $900 million St. Lawrence Seaway, who is vacationing from the bitter cold of Canada at the Algiers Hotel on Miami Beach."

That was the day the temperature in Miami ranged from 39 to 49 and the same paper carried a story about a vacationing couple from Belleville, Illinois, who, with eyes glued on the pavement, were walking up and down Flagler Street looking for something. They were looking for the return halves of their bus tickets, which they'd lost. They wanted to get back to Belleville to get warm.

Next day, the Herald's weather report was headed "BROTHER!" There wasn't a human being to be seen on the famed Florida beaches.

Canadians who have been a trifle envious of those fellow countrymen who during the past week or two have been sojourning in southern climes (and paying as much as $40 to $50 a day for hotel rooms, often unheated) shouldn't feel too badly.

Even in the Bahamas, the Gulf Stream's Islands of June, the weather was such as to give the creeps to the tourist-attracting agencies. True the sun shone as advertised. But for seven consecutive days and nights a howling northwest gale, bringing chill from Arctic latitudes, lashed the archipelago. At Harbor Island, off Eleuthera, and at other points, visitors were marooned when boats were stormbound and planes couldn't land.

Delayed cruise ships bound for Nassau arrived to find that raging seas barred access to the harbor. Off the lee shore, to which they hastened, heavy swells made trans-shipment of passengers to tenders difficult, and in some cases impossible. More than one liner upped her anchor and departed without a single passenger setting foot ashore.

* * *

THE ONLY BENEFIT which appears to have accrued from the worst January pasting in living memory is that visited upon this columnist and his wife. Their winter home, a few yards from the sea, took the storm's full blast right on the nose. It was coated with salt spray; its garden withered. On the eighth day, at low tide, I ventured forth to see if a grain of sand was left on our little beach. And, behold, there was a bigger and better stretch of sand than ever. That evening I met Frank Christie, who has a house a mile or two further round the coast. He said, "My beach is gone. Sand to a depth of six feet has been swept away. Nothing but rock now." I sympathized. But I didn't tell him about our beach. It may be that, a week before, it was his!

* * *

IN SPITE OF THE FOREGOING, I don't think that the Canadians who will go to Nassau to staff the new Bank of Nova Scotia there will need to take earmuffs and overshoes.

Already strongly entrenched in Jamaica, this will be the Bank of Nova Scotia's first footing in the Bahamas. Its chief competitor in Nassau will be the Royal Bank of Canada, with busy headquarters on Bay Street (particularly busy on government civil service paydays) and two branches. The Royal has been there since 1908. Incidentally, it has some 70 branches throughout the West Indies and down to South and Central America, where is has 23 branches. It also has 19 in Cuba.

Also in Nassau, since 1947, is Barclays, which, apart from local business, does well by its English connections.

Like the Royal, the Bank of Nova Scotia also has strong English as well as Canadian contacts, and while it may take a little time for it to get settled, as it were, informed Bahamian opinion is that its coming is farsighted. Certainly the other banks will bid it welcome.

* * *

TWENTY-ONE YEARS AGO, when the British Council was started to spread culture benefiting the British Commonwealth and Nation, the Government gave it an annual grant of less than $15,000. Now it is spending 500 times that amount—some $7,280,000. And editorially the London Daily Express, in its campaign against wasteful expenditures, has been taking the Council's pants off. In these times of intrigue in Cairo, arms deals, and goodness knows what, the Council has had a Miss Reed lecturing the Egyptians on "Dryden and his influence on the eighteenth century."

The Express belts away at the Council's expensive headquarters and at the money spent replacing riot-torn buildings on foreign parts, and says, "Whenever there is trouble the British Council windows are always the first to be broken!" It concludes that it is a wasteful, futile body, and should be wound up.

Stop Me If . . .

"Son," said the tactful boss to the lazy office boy. "I don't know how we're going to get along without you, but starting Monday we're going to try."

* * *

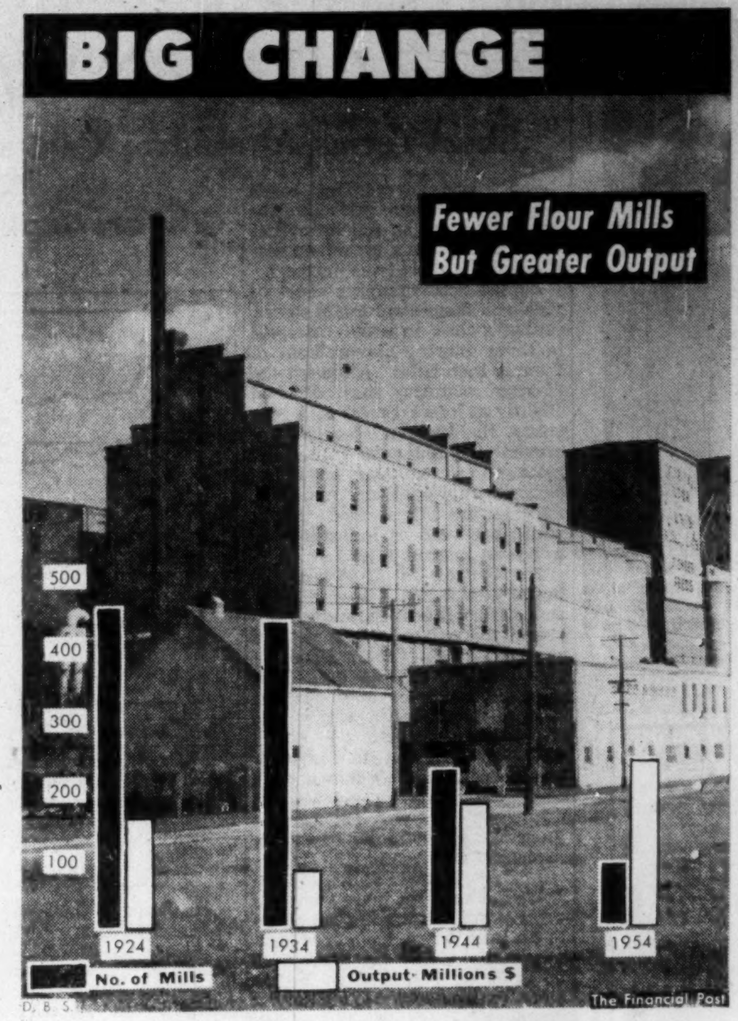
The bride of a struggling young writer was the big success of the evening, and all the men at the party elbowed each other to dance with her.

"She's charming, old boy," the host said enthusiastically to the husband, "and her dress is a poem."

"Not one poem," answered the young writer, gloomily, "sixteen poems, five short stories and nine articles."

* * *

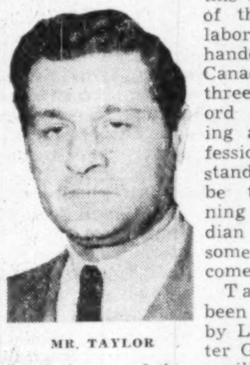
A grandmother was persuaded to come to town and attend a vaudeville show which headlined a magician, the first one she'd ever seen. During his act the magician covered a newspaper with a heavy cloth and read the print through it. Then he covered the paper with a blanket and again read it accurately. At this, granny rose hastily, whispering: "I'm goin' home. This is no place for a lady in a thin calico dress."



Post Scripts

Railway Solomon?

The "old man of labor relations" is a sprightly 46. Eric G. Taylor, a knock-their-heads-together type of labor mediator, gets down to work this week on one of the toughest labor jobs ever handed out in Canada and if his three-year record of pioneering a new profession is any standard, there'll be trains running on Canadian tracks for some time to come.



MR. TAYLOR

Taylor has been appointed by Labor Minister Gregg to act as chairman of the conciliation board established to assist the railways and the 16 unions representing the country's 150,000 nonoperating employees reach agreement on a work contract.

This is probably the biggest mediation job ever handed a professional labor relations expert in Canada. For one thing, if Taylor gets a settlement he will save Ottawa the embarrassment of deciding whether railway unions still have the historic right to strike. If he fails, only government intervention could halt a strike.

Taylor is a frank-talking former university professor who has elected to make his livelihood in the intricate and complex workings of labor-management agreements. In his three years as a consultant he has settled several major strikes and averted scores of others. He'll tackle the toughest disputes in the country and to each of them he brings the same formula: be blunt, find the motives and aspirations of both management and labor, and if necessary keep them up all night working for settlement if there is a glimmer of hope.

Taylor, say his associates, is well qualified to pioneer the workings of his new job into profession status. He came to Canada as a boy from England and attended the University of Montreal. He took his Ph.D. there in social science and political economy and he taught at U. of M. as Professor of Industrial Organization.

He was a staff industrial relations consultant to Imperial Oil when it reorganized and as assistant manager of industrial relations for CIL he got a deep insight into management thinking. He also took an executive position with Brazilian Traction, working at Sao Paulo as a vice-president and director.

Taylor left Brazil to spend one year traveling throughout Europe with his wife and daughter. He studied the social and economic recovery of several European countries before returning to Canada in 1952.

At the urging of Ontario's Labor Minister Charles Daley he became a free-lance arbitrator. Since then he has settled the West Coast ship strike and the Lakehead grain handling strike and many others.

He has moved his home from Montreal to Toronto and much of his work is done in Ontario despite his refusal to accept Ontario conciliation assignments because he believes the fee is too low.

He has two hobbies: more work and the collection of objects d'art. His specialty is vases and jugs.

* * *

Forty Years in Grain

Forty years in the grain business has brought Howard C. MacGregor of Winnipeg to the presidency of Federal Grain Co. He has been general manager since 1947.

The new position makes him head of one of the largest companies in the grain trade. It owns and operates 780 country elevators in the prairie provinces with capacity for 44 million bushels and also terminal facilities at the lakehead and on the Pacific coast.

Born, reared and educated in Southampton, Bruce County, Ontario, MacGregor got his first job in a branch of the old Farmers Bank at Allenford, not far from his home. It didn't seem an auspicious start because six months later the bank went out of business. MacGregor, then 17, joined the Sterling Bank at Toronto.

Soon after he was transferred to the West. In 1913 he quit banking to accept a position with Saskatchewan Co-operative Elevators at Regina.

From there he came to its office in Winnipeg. Soon after he joined the staff of Stewart Terminals, one of the units which became part of the Federal Grain Co. in 1929. He was elected a director of the company and several of its subsidiaries in the early 1940s.

His recreational activities are divided between golf and his garden where he says he makes a better score. His only son, Douglas MacLean MacGregor, is with Simpsons-Sears in Toronto.

* * *

Actuary Takes Over

Canada's second largest insurance company, Manufacturers Life, is stepping off in the new year with a new president. He's young - looking soft-spoken George L. Holmes who moves up from the post of vice-president to take over direction of this 68-year-old organization.

MR. HOLMES

With this step-up, 57-year-old Holmes leaves behind, to a large extent, the work that brought him into insurance and into Manufacturers Life.

By profession he is an actuary as are his two brothers who are prominent insurance executives with other companies. But now administrative duties will leave George Holmes little time to indulge his inclination for mathematics.

"An actuary is a good thing to be," says Holmes, "you have a chance to learn the complete theory of insurance operations and through regular contacts with all other branches of an organization you get a working knowledge of every angle of the business."

Born in Toronto, Holmes went to school there, deciding early he would follow his older brother's example and go into actuarial work. But before he could get started, the First World War intervened and he joined the Canadian army. From 1916 to 1919 he served with the 6th Battery of the Canadian Field Artillery.

In 1919 he joined the actuarial department of Manufacturers Life — hired by the then-assistant actuary Hector Lithgow who later became president and from whom Holmes now takes over. By 1922 Holmes had become an associate of the Institute of Actuaries of Great Britain and two years later he was made a fellow of the Society of Actuaries.

In 1928 the company named him assistant actuary and in 1935 actuary. He became assistant general manager and actuary in 1947 and in 1951 vice-president and actuary. A year later he dropped the title of actuary, concentrating his vice-presidential duties on the more general activities of the company. Just a few weeks ago he was elected president of his company which had just passed the $2 billion mark in terms of insurance in force.

Active in organizations related to his business interests, George Holmes is a past president of the Canadian Life Insurance Officers Association. This 1953-54 presidency topped 15 years of work on association committees and study projects.

At one time Holmes used to play golf in his spare hours — but now the demands of an acre-big garden surrounding his Scarborough home keeps his relaxation hours "more than busy." He is married to the former Ada Harrap of Toronto, and the Holmes have three daughters.

What Others Are Saying

Editorial of the Week

Out of our Own Pockets

Wingham (Ont.) Advance-Times

In these days when everybody and his dog gets a grant from the government for something or other, a lot of people seem to be "living it up" on government handouts. Civic bodies are spending more than is absolutely necessary in order to get the grants that go along with the expenditures.

The government pays up to 75% of the shot on schools and a considerable percentage on hospitals. So everybody figures the best is none too good. People are taking a philosophical view of luxuries they would jolly well get along without, if they had to foot the bill themselves.

Nowadays people are spending $100 to save $10, and calling it smart business. They're ordering "on the house" as if the house were actually paying for it.

Government grants aren't manna from heaven. They're money out of your pocket and mine.

Other People's Views

WE CAN'T get along without farm prosperity warns the **Reston (Man.) Recorder.** "A stable agricultural industry is certainly a must for Canada, for despite the increasing importance of industries like mining, agriculture is still the No. 1 industry. It must prosper or the rest of Canada will suffer."

ONE RESOLUTION Canadians might take and keep gainfully, says the **Ottawa Journal,** "is that they should make Canada's politics less drowsy, more alert, at least rouse it from deep sleep. British and American exchanges on our desk are lively with political discussion, criticisms, speculations, signs of democracy vibrantly alive. Here in Canada we seem to have lost the function of political discussion, are seemingly bereft of political curiosity, satisfied to take without question the official line."

IF IT IS PROPER for a provincial government to control the price of newsprint why not other prices, too, asks the **Victoria Times.** "Mr. Duplessis is so concerned about the big consumers of newsprint is he not equally obligated to concern himself with the little consumers of food, fuel and all the articles that make up the ordinary household budget? Once the state undertakes to repeal the price mechanism in one field it is not easy to halt the process."

THE IDEA OF YOUNGSTERS being bored is a frightening one, declares the **Temiskaming (Ont.) Speaker.** "If they are bored now, when life should be full of discoveries and excitements, what will be their attitude in later years? How will they fill that increasing leisure time which mechanization of industry may allow? They must be helped to develop their own creative, constructive resources so that they will come to know that life is really much too short, rather than being far too long."

WE CAN'T BLAME the United States for all our wheat troubles, asserts the **Vancouver Sun.** "The plain fact is that our socialistic wheat policy carried over from war times has under peace conditions proved a gigantic and costly failure. Mr. Howe and his colleagues say: Just wait for one or two bad crop years and everything will be all right; the surpluses will be cleaned up. What more devastating condemnation of the government's wheat policy could there be than this, that in order to get out we should come down to hoping for crop failures and all that they entail in economic loss and human suffering?"

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January 21, 1956

Bruce Hutchison Writes About:

The full men

By BRUCE HUTCHISON

A few fortunate Canadians recently received a book both melancholy because it marked the death of a friend and cheering because it proclaimed a gallant Canadian credo and explored the inner contents of the nation.

When William Henry Clarke died, all too young, he had published many famous Canadian books but his own thoughts, often better than those of his authors, were not put into print.

Now that they have been collected in book form, by his wife and son, of Clarke, Irwin Co., they may appear to discuss the relatively small industry of book publishing. In fact, they are something like an anatomy of the Canadian mind; or rather that sector of the Canadian mind which will prove decisive in the nation's future.

Mr. Clarke considered books possibly the most important product of any nation. At first sight he seems to have been wrong. Books must form the single smallest item in the Gross National Product, and an item not much larger in the average family budget.

Reading, said Francis Bacon, maketh a full man, but statistics show that most Canadians prefer other nourishment. For example, they must buy at least a hundred times more bottles of rye than books of learning, at approximately the same price. Rye also maketh a full man, and more rapidly, but it doesn't last as long as a book. The book has its revenge. If it is any good, it stimulates the nation long after the bottle is empty.

How Important Are Books in the Scheme of Things?

On the basis of statistics it may be argued that books, especially Canadian books, are not as important in our scheme of things as Mr. Clarke supposed. Statistics, however, in the truly important aspects of life are often misleading.

No one will grudge the statisticians their accurate figures so long as they are kept in the proper place, in government, business and science. But the region of books, though incalculable, is the region where the nation is made, or unmade. And we cannot say that Canada is fully made until it produces great books and until the public will read them.

While few Canadians read many books, and many read none, it is encouraging to learn from Mr. Clarke that our readers are the most catholic in the English-speaking world. The British and Americans confine themselves mostly to their own native books. Canadians demand books from everywhere.

Whether this is a sign of national strength or weakness I don't know, but it suggests that some Canadians at least are trying to pry below the misleading surface of life at large.

Anyway, the Canadians who read books are important to the nation quite out of proportion to their numbers. In an age of mass thought, terrifying uniformity and minds drugged with what they are pleased to call entertainment, the few minds that think for themselves and seek contact with other thoughtful minds are more important than ever.

It is easy and fashionable to assume, because only a few people think for themselves, that society is perishing, like Rome, in a welter of bread and televised circuses. In fact, every age thrives, if it does thrive, on the strength of the few. Civilization is kept alive in every generation by those few, without whom we should be back in the caves by next week end.

Thinkers Are Readers And Thinkers Give Society Its Direction

The few, of course, are not all readers of books but on the whole the thinkers are the readers, and the thinkers are the people who, often unknown, give the tone, color and direction to any society, for better or worse. In the Pacific Coast forest, where this is written, the giant trees always die from the top. So it is with the forest of mankind.

The man who does not read books may say that he reads sufficiently otherwise — newspapers, magazines, business reports and even perhaps Hansard (patriotism can go no further). Such reading is essential to the man of affairs. It has nothing to do with the reading of books, for they are entirely different in kind and are concerned with a different world.

The great men of business, as distinguished from the merely successful, are the men who explore worlds foreign to their own and thus can place their business in a larger context, with still larger success.

A successful man, let us say, can make excellent ballbearings. An educated man making ballbearings will make something else as well, much more valuable to him and to society. By seeing life whole, and not solely in terms of ballbearings, however excellent, he will give society leadership and himself a new dimension.

He will be a rare genius indeed if he can do that without reading books, because it is only in books, and very seldom in journalism, in condensations, speeches, documents and the daily litter of a man's desk that the inner world can be explored and mind can meet mind.

A supreme genius like Shakespeare may condense the world in a couplet. Most men with something to say require a book and a leisurely reader if they are to say it. The idea is not merely vitiated in a smaller compass; it is destroyed; it never comes to life.

Attempts To Sell Reading Will Scare More Than Attract

Books cannot be safely forced on people like most products. All the organized attempt to popularize reading may scare more people than it attracts. It makes reading seem like a duty, a sort of discipline and diet, like a doctor's prescription or a professor's lecture, when it should be a careless, unorganized and reckless pleasure, a healthy, incurable vice.

It always seems to me a churlish affront to press your favorite books on your friends. No one would tell you how to furnish your living room. Yet everybody tells you how to furnish your mind, where you really live.

The result is a public mind furnished, if it is furnished at all, as uniformly as a chromium-plated kitchen in a woman's magazine. A modern kitchen is a fine thing, I would like to own one, but it is only a kitchen, however furnished. Its significant contents are its inhabitants, not its fixtures.

That is the fact we tend to forget in considering a nation. Its furniture of wealth, its so-called standard of living, its government and other outside equipment are honorable, desirable and important, but all of them put together will never make a nation great, durable or even happy.

What goes on, not inside the kitchen, but inside the heads of its inhabitants? Above all, what goes on inside that small minority of heads which, in every age, must determine the nation's future?

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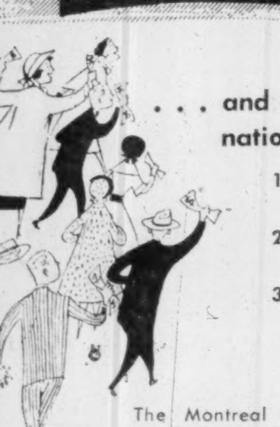

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Information on the Montreal Star and its coverage is constantly available on request to the Director of Advertising.

The Montreal Star

$5 Million Tanker Order Goes to Japan

Imperial Oil Ltd. has awarded construction contract for the largest oil tanker ever to be built for a Canadian firm to the Mitsubishi Shipbuilding & Engineering Co. of Japan.

The $5-million, 35-000-ton tanker will be built at Nagasaki, Japan. Delivery is scheduled for early 1957. Having a capacity of some 250,000 barrels of oil, the tanker is expected to be placed in the Venezuela-to-Portland, Me. run.

Shipbuilding costs being quoted by leading Japanese firms are so much lower than those offered by Canadian shipbuilding companies that it looks as if this trend could continue for some time.

Bank Staff Changes

Commerce:

W. W. MORDEN, an assistant inspector, Regional Office, Montreal, to be an assistant manager, Montreal.

M. I. H. McCOMB, an assistant accountant, Queen & Spadina, Toronto, to be an assistant accountant, Avenue Road & Eglinton, Toronto.

N. McINTOSH, to be accountant, Calgary, Alta.

R. J. McINTOSH, to be an assistant accountant, Chatham, Ont.

D. E. NASH, manager, Redwater, Alta., to be manager, Innisfree, Alta.

G. R. PHIPPEN, to be accountant, Scarborough Bluffs, Ont.

G. J. RIACH, accountant, Norwood, Winnipeg, to be an audit officer, Regional Office, Winnipeg.

R. G. SHARPE, to be an assistant accountant, Toronto, Ont.

E. R. STEPHENS, an assistant accountant, Chatham, Ont., to be accountant, College & Dovercourt, Toronto.

F. C. TAPLEY, to be accountant, Norwood, Winnipeg, Man.

G. G. WALKER, manager, Innisfree, Alta., to be manager, Redwater, Alta.

R. M. WILSON, assistant accountant, Avenue Road & Eglinton, Toronto, to be accountant, Avenue Road & Eglinton, Toronto.

Benson Listens To Canada In Key Decision on Wheat

Special Correspondence

WASHINGTON — Canada has scored a major farm victory in Washington.

The victory was revealed in a closed-door meeting between U. S. Agriculture Secretary Ezra Taft Benson and a delegation of U. S. wheat growers.

The meeting, held in Benson's private office, heard the wheat growers ask the Secretary to support their plan for a two price system for wheat; one price on the domestic market, and a lower price in the world market. They felt the U. S. would be able to sell more wheat this way. Mr. Benson was dubious about it. He told the delegation that such a plan would be harmful to Canadian wheat farmers and therefore he doubted the wisdom of United States adopting it.

Observers here believe this offers positive proof that Benson now has Canada firmly in mind when he thinks about foreign wheat marketing. The strong criticism of U. S. farm trade policies by Trade Minister Howe appears to have penetrated the great barrier reefs of economic isolationism and politics surrounding Mr. Benson's thinking on this subject. His statement is interpreted as final recognition that he must take Canada into account on his wheat trade questions.

So far as the U. S. wheat grower delegation is concerned, after they heard Mr. Benson's statement about Canada, they immediately telephoned the Canadian Wheat Board. They asked the Wheat Board to support the plan, and in a return Winnipeg-Washington telephone conversation, the Board felt it could not offer support at this time to the two price idea.

Will Meet Canadians

The U. S. wheat growers plan to meet with a number of Canadian wheat producer officials to explain how the two price scheme would operate. They plan to suggest that all exports would come under an internationally agreed price range and would not be a unilateral action by Washington. This may sound more attractive to the Canadian wheat organizations for it would amount, largely, to a widening of the present International Wheat Agreement. The U. S. growers, however, did not go into this detail in their conversation with Mr. Benson, and hence Benson's immediate reaction about possible Canadian objections.

Up to this autumn, Mr. Benson had remained in splendid isolation in his thinking about the U. S. surplus selling. Although he gave lip service recognition of its effects in the world marketplace, he really felt it was purely an American matter. He refused to recognize the damage being done to Canadian markets or the customers of other wheat exporting nations. During a trip to Europe in September, which he took reluctantly and only at President Eisenhower's personal urging, Benson attended an international meeting of farm organizations in Rome where he came face-to-face with objections to his surplus disposal methods from farm exporting countries.

On a trip to Western Canada a short time before, he spoke to a farm organization meeting, promising the U. S. would not be unfair in selling surpluses. Canada claimed he already was being unfair, but Mr. Benson could not see it.

The Washington Meetings

Trade Minister Howe began his barrage against Benson in late September when he personally told the U. S. Agriculture Secretary in a meeting in Ottawa that the U. S. was being unfair. In late October, a Canadian wheat delegation came down to Washington and gave Mr. Benson and his top aides the worst tongue-lashing about U. S. farm trade policies they had ever heard.

Some days later, Mr. Howe began a Western Canadian speech-making tour at which he denounced Benson's trading policies at almost every turn. He started right off in his first speech saying Mr. Benson was "unfair and unwholesome" in his trading policies. This remark was put to Benson at his press conference a few days later, and he recoiled at the strong criticism but stoutly defended himself. This particular speech got wide circulation in the U. S. Department of Agriculture, thanks to some fast footwork by the Canadian Embassy and one or two Canadian newspaper men in Washington. Howe's remarks had made a deep impression on Benson.

Another Canadian delegation came down to Washington in December and more criticism was heaped on U. S. surplus disposal policies, particularly wheat. The Canadian officials were not complaining about each and every little thing they considered unfair, they pointed out to the U. S. Agriculture officials, but only the more important matters. They said Canada's very economic life might be damaged by U. S. cut-rate wheat deals.

Shortly after the first Canadian delegation visited Washington, the U. S. stopped a sale under which wheat was being sold for competitive bids. Officially, and even unofficially, Benson claimed overcrowded storage facilities which he said made the sale necessary in the first place, had improved thereby eliminating the need for the international auction sale of wheat through competitive bids. In fact, however, it was the Canadian objections which contributed greatly to the ending of the sale.

Message To Congress

At this point, Benson began doing some shifting in his thinking. The President's farm message to Congress, largely written by Benson and his aides, reflects this shift. Benson no longer counts on solving the surplus problem in the marketplace as he did earlier last year. He now says the real solution lies on the farm in production reduction.

Canada certainly can claim some measure of credit for this shift in Benson-Eisenhower farm policies. This is of far greater long-range importance to Canada, than Benson's position on wheat as exemplified at his meeting with the U. S. wheat growers. But the latter point is of immediate importance. For the first time, Benson is actually talking to associates and visitors about the need to consider Canada before taking any policy decisions with regard to wheat exports.

Canadians, however, should not shout "whoopee" and toss our hats into the air in anticipation of complete golden rule surplus disposal by Uncle Sam from now on. The U. S. Agriculture Secretary is under, and will continue to be under, oppressive political pressure to get rid of his surplus wheat and other surplus commodities.

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Toronto

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By the way : : : we have taken our title from a 16-minute movie : : : "A Matter of Importance" : : : recently produced by The Investment Dealers' Association of Canada. Through an interesting story it points up the essentials needed in getting a planned investment programme started. The film is available to any responsible club or group whose members might like to know more about this business of investing. If you are a member of such a group and interested, drop us a line : : : we will make the arrangements for you.

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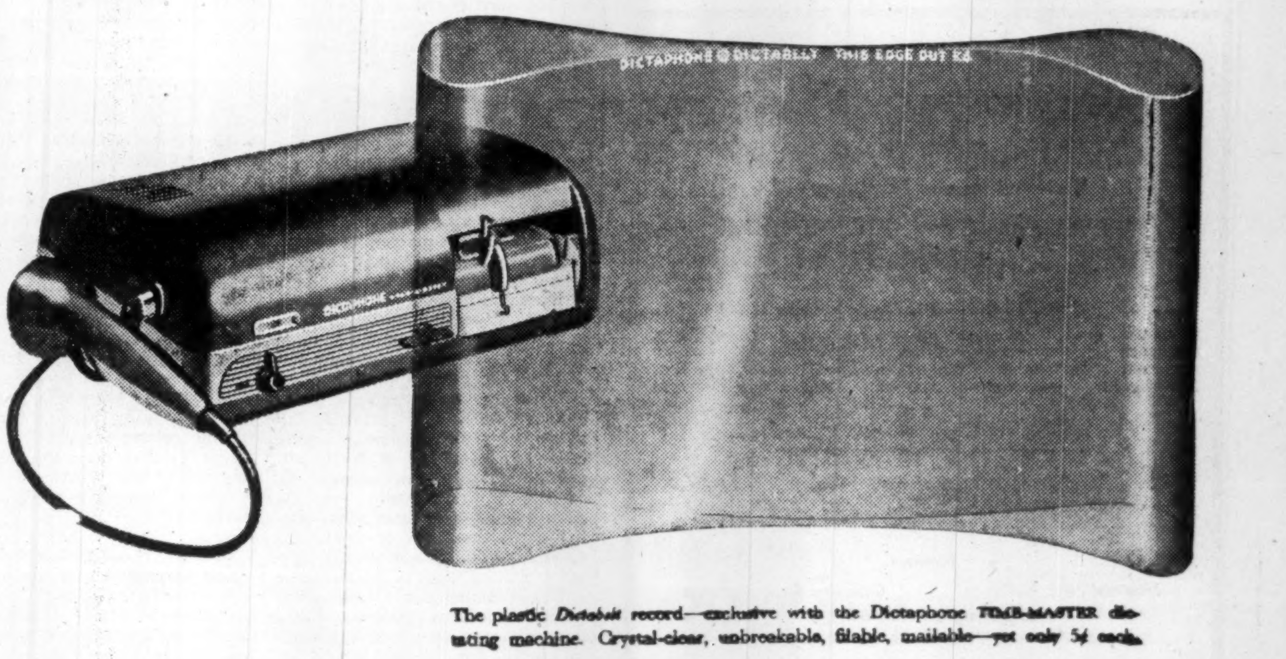

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CANADIAN PIPELINES & PETROLEUMS LTD., has made an offer to shareholders of Williams Creek Explorations Ltd., to acquire shares of this company on the basis of one Canadian Pipelines for each three Williams Creek common or 30 class B Williams Creek held. To acquire all outstanding shares, Canadian Pipelines would issue 330,398 of 2,817,725 shares now in its treasury. 7,182,275 Canada Pipelines shares are currently outstanding.

Construction Aims at Better than $5 Billions

Construction Association Lays Foundation for Continued Prosperity

Canada's construction industry this week was told to develop its markets and improve its techniques in order to better last year's record $5 billion prosperity wave.

The 800 delegates at the 38th annual convention in Winnipeg of the Canadian Construction Association were assured that shortage of certain materials like structural steel was more of a slowdown danger than lack of new capital investment. But to maintain the industry's progress, steps should be taken to provide low-cost homes for the virtually untouched lower-income groups, home-ownership must be able to compete with auto and TV ownership, and they must enter the $1.5 billion do-it-yourself market.

Here is a digest of convention proceedings.

Highlight of opening day at the Winnipeg annual convention of the Canadian Construction Association was a flare-up in closed session between Ontario electrical and mechanical trades and other section representatives over the question of bid-peddling and the experimental depository system for tenders.

It was touched off by a report by R. F. Legget, chairman of the Contractor Relations Committee who is also director of the Division of Building Research of the National Research Council, Ottawa.

He said that while some progress had been made, serious problems still remained. But a number of developments, one of them the bid depository scheme launched in Toronto on an experimental basis last year was "beginning to yield results of interest and possibly of value." He added it was too early to assess significance of these new aspects of contractor relations.

For this reason, he recommended the matter be continued through 1956 in order to continue studies with a view to submitting periodic reports to the management committee and a full report at the annual C.C.A. meeting in 1957. His report was the basis for a tentative resolution to be pres..ted on the final day of the three-day meeting.

Sectional meetings of the first day were not open to the Press. But Legget's report set off a lively debate which ended in stalemate and shelved the issue until a later session.

In a determined drive, Toronto representatives of the Electrical Contractors Association of Ontario and the Ontario Branch of the National Association of Master Plumbers and Heating Contractors (two of the parties to the agreement for 1955 trial of the bid depository system in Toronto), resisted the delay. They submitted an alternative resolution asking the C.C.A. to "approve principle the policy of sanctity of bids and development of a plan or plans in the various districts of Canada to be worked out by mutual consent of the trades concerned at the local level."

They claimed the system was a success, first because it had been widely used and widely accepted by the architectural profession, and second because it had resulted in a more even distribution of the work. By mutual consent its operations have been extended beyond Dec. 31.

One of the arguments for delay was that two of the organizations which were parties to the experiment—the Ontario Association of Architects and the General Contractors Association of Ontario—will not make their reports until February and March.

Highway Financing

Also in closed session, the General Contractors Section asked for appointment of a Dominion-Provincial Highway Commission to co-ordinate long-term financing and construction of provincial and international highways to aid development of natural resources and stimulate the tourist traffic.

Retiring Association President W. G. Malcom, Winnipeg, sounded the call for steps to maintain and increase the industry's expansion.

Apart from the role of Government in stimulating construction activity, he said the industry could accomplish a great deal on its own by increasing efficiency and expanding its capacity to carry out larger and more complex programs faster and more economically. Even though it had proven its ability to expand, the increased demand for its services have been held up by delays in delivery of a number of materials.

Similarly the industry's training program for practically all personnel classifications have failed to keep up with its expanded volume. The number receiving apprenticeship training should at least be doubled to meet the acute shortage of engineers, superintendents, estimaters and other skilled men in the industry.

The industry could also act to increase its own markets. It was in position to advise governments on legislation which would increase desirable construction. New types of modernization, air conditioning as an example provided a never-ending market.

More important, a market for contractors could be expanded or recaptured through entry into the $1.5-billion field of construction work done not only by "Do-it-yourself," house builders and farmers but also by industrial owners, public utilities and government agencies with their own forces. Most of this work could be done cheaper and quicker by private contractors employing skilled craftsmen and submitting bids under the competitive tender system.

$2,000 Fellowship

The establishment of a C.C.A. $2,000 annual fellowship for postgraduate study in construction was among the important announcements made by chairmen of committees in reports to the convention. The reports ranged over every aspect of the industry and its current wishes and problems. Here are the highlights:

E. V. GAGE, Montreal, Standard Practices:

Main achievement of 1955 for our committee was the completion of a lengthy revision of the standard cost plus fixed or percentage fee contract form. Next comes revision of the standard form of subcontract and the standard form of construction tender. Some initial work on the subcontract form has been done by trade contractor representatives.

An early meeting is being sought with R.A.I.C. on amendments made by the architects in the final draft of the "Suggested Guide to Bidding Procedure." Most of the original draft remains unchanged but all references to engineers and most of those of advantage to contractors have been deleted by R.A.I.C. The guide was developed by the C.C.A.-R.A.I.C.-E.I.C. Joint Committee on Tendering Practices in 1953.

G. A. BURNETT, Ottawa, Sales Tax:

Your committee is hopeful that the next federal budget will bring about important changes in the Excise Tax Act and regulations affecting our industry. We hope they will reduce the present problems of ascertaining whether the tax should be applied and what is the construction cost factor due to the tax.

The C.C.A. submitted a brief to the special Sales Tax Committee appointed by Mr. Harris after he presented his 1955 Federal Budget. The brief advocated changes aimed at full exemption for materials that are at present only conditionally or partially exempt.

A further recommendation in the brief recommended that construction equipment and tools (excluding trucks and trailers) also be exempted from federal sales tax. At present, equipment used in logging, agricultural and mining operations of a similar nature to that used in construction operations is tax-exempt as is "production equipment" in factories.

J. D. ALLAN, Hamilton, Research and Education:

A $2,000 annual fellowship for postgraduate study in construction for which money has already been set aside by the C.C.A., has been established. Applicants must be Canadian citizens, engineering graduates of recognized universities, and have had three to four years' employment in the construction field after graduation.

Postgraduate courses in building construction or construction engineering are not available in Canada at present. It is sincerely hoped that in due course it will not be necessary for C.C.A. fellowship winners to leave Canada for this type of training.

Further study is being given to the possibility of Ryerson School of Technology, Toronto establishing a school of Construction Technology.

J. HASTIE HOLDEN, Montreal—Legislation:

It is apparent there are increased opportunities for Canadian contractors to bid on overseas construction projects but contractors in this country are handicapped in arranging credit for these foreign projects by the lack of insurance to cover the risk of nonpayment by the owner.

Insurance of this kind is available to Canadian exporters of goods under the Export Credit Insurance Act but it does not cover services such as those performed by contractors and, indeed, by members of the engineering and architectural professions. A resolution advocating protection for contractors under the Act is before the convention.

The Committee is studying methods followed by contractor members in reporting profits on incomplete lump sum contracts in view of certain changes being recommended by the Income Tax authorities. More than half of all contracting members answered a questionnaire. They showed about equal preference for the completion method and the progress method of reporting profits on contracts unfinished at the end of the taxation year. A special bulletin will be issued shortly containing findings and comments.

A. C. ROSS, Ottawa, Labor Relations:

Contract settlements were achieved with more harmony than in most recent years. The number of work stoppages during 1955 was less. Emerging from 1955 collective bargaining with construction workers were several new welfare plans and an additional number of agreements for a two-year period.

Two examples might be noted where segments of the labor force have been quite unreasonable in their behavior and actions:

—Within the last two years, the Teamsters Union appears to have been very autocratic and their actions in London and Montreal areas last year showed little regard for law and order or the rights of others in a democratic country.

—The other and smaller group was the lathers. In this trade, it was a very small group, in some cases acting as employers but voting and speaking as trade unionists whose actions threatene to hamper operations and interfere unreasonably with other trades.

V. L. LEIGH, Victoria, Housing:

The rising number of applications for both new house loans under the National Housing Act and home improvement loans, statistics on NHA loans, the record 125,000 housing completions in 1955 and the record 80,000-unit carryover into 1956 are all ery encouraging. And yet the statistics showing the minute number of Canadians with annual incomes of less than $3,600 who finance the purchase of a home under NHA reflects an entirely different pic- re in any assessment of the effectiveness of the original intent of the legislation.

The problem is two-fold and the industry must take the lead in both:

—A house well constructed without frills or luxuries must be produced.

—Desire for home ownership must be made greater than the desire built up by years of advertising cars, TV sets or high-cost entertainment. We must compete for the monthly payments of the wage earners.

The basic problem faced by those whose incomes are sufficient to meet monthly carrying charges on a house is to accumulate sufficient money for the down payment. It is hoped that the 90% loan provision will be expanded past the present $8,000 limit and that the new CHMC appraisal values will correspond closely with actual cost so that people will get the benefit of the 90% loans.

H. R. MONTGOMERY, Montreal—Construction Equipment:

Even more detrimental to the industry now than when we first objected to them in 1952 are:

—The special tariff arrangement whereby construction equipment may be imported into Canada on a proportionate basis of 1/60th tariff per month on a temporary importation, limited in general to six months.

—The importation into Canada of used or second-hand vehicles upon the payment of full tariffs and sales taxes levied on the assessed value of the vehicle at the time of importation.

Your committee feels that while these concessions may have been necessary during wartime, they should now be abolished.

Cold Spurs Mail Order Sales

Record-breaking mail order business starting with the early frost and snow of late fall and building up to the biggest winter season in history is reported by Canada's two major mail order houses. Big factor in the gain has been a sizeable chunk of stay-at-home shopping by farm families.

Simpsons-Sears and T. Eaton Co. officials said there was a complete cleanout of skis and toboggans with sales up a fat 90% over last year. Other sporting equipment also went quickly paced by skates, sleighs, and skiing equipment. Surprise sellers were snowshoes, pushed by abundant snow through most of Canada, and "flying saucers"—modern versions of garbage can lids used for sliding down hills.

Reflecting growing interest in winter travel, luggage and automobile equipment also chalked up better-than-average sales.

In clothing, men's corvette coats with hoods, sheepskin lined jackets and various types of lined pants topped the list with ski jackets, fur collared coats, sweaters, heavy skirts, knitted suits selling strongly in women's wear. Solid business in ski suits and outdoor wear for small fry was reported.

Mail order officials said the business is carrying over into January with "excellent" results from January sale catalogues so far.

New Regina Shop Hub?

From Our Own Correspondent

REGINA—City council here is considering re-zoning a section of an exclusive residential area on the south side of this prairie city to allow construction of a shopping centre valued at $2 millions.

Permission to go ahead with the plan was sought on behalf of an unnamed firm, which already operates 18 such centres in Eastern Canada and proposes 10 more this year.

The centre would consist of stores on 3C lots, comprising a frontage of 800 ft. to 900 ft., and would include nine retail stores, two banks, stores for local merchants and service stores. Some would have space on the second floor for professional men.

Council was told that five of the tenants already operate stores in downtown Regina.

ANNOUNCEMENT

NEW B-A APPOINTMENTS

J. W. MORGAN

A. E. OSBOROUGH

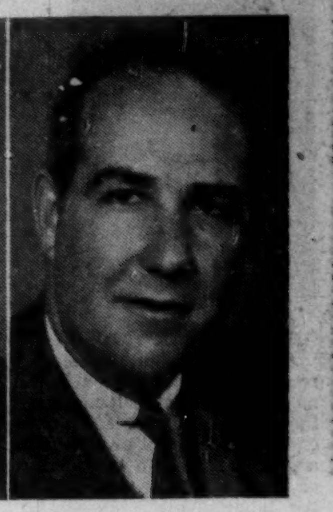
M. S. Beringer, President of The British American Oil Company Limited, announces that two new positions have been created in the Company's management group. J. W. Morgan has been named General Manager of Manufacturing and A. E. Osborough General Manager of Marketing.

Mr. Morgan has been associated with B-A refining operations in various capacities since joining the Company at the Calgary refinery in 1939 and has been Assistant Manager of Manufacturing at Head Office for the past two years. Mr. Osborough, who has spent over 30 years in petroleum marketing, joined B-A in Vancouver in 1945 and was most recently the Company's Regional Manager for Ontario.

ANNOUNCEMENT

Labatt's Appoints New Vice-President and General Manager

HUGH A. MACKENZIE



J. H. MOORE

John Labatt Limited announces that Hugh A. Mackenzie will relinquish his duties as executive vice-president. His decision was made on the advice of his physicians. Mr. Mackenzie joined John Labatt Limited as comptroller in 1930; he was appointed sales manager in 1935 and general manager in 1937. He became vice-president in 1943. Mr. Mackenzie will serve as a director of the company and as an advisory and consulting executive. J. H. Moore succeeds Mr. Mackenzie as vice-president and general manager. He has been director of finance and treasurer since 1953 and will retain these offices for the present

A.N.Z. BANK

AUSTRALIA AND NEW ZEALAND BANK LIMITED

ABRIDGED STATEMENT OF ASSETS AND LIABILITIES

(Expressed in Australian Currency)

30th SEPTEMBER, 1955

ASSETS	£A
Coin, Bullion, Notes, and Cash at Bankers	27,998,888
Money at call and short notice	2,635,500
Treasury Bills — Australian Government	1,999,589
Cheques of, and Balances with and due from other Banks	9,504,048
Special Account with Commonwealth Bank of Australia	39,683,000
Investments at or under Market Value	23,015,268
Bills Receivable and Remittances in Transit	61,303,444
Loans and Advances to Customers and other Accounts	212,479,104
Liability of Customers for Acceptances	4,372,526
Bank Premises and other Fixed Assets	[illegible],142,468
Liability of Customers and Others on Confirmed Credits, Guarantees, etc.	35,597,289
	£A425,731,124

LIABILITIES	£A
Capital paid up	12,801,000
Reserve Fund and Profit and Loss Account Balance	10,208,131
Current, Deposit and other Accounts	362,752,178
Acceptances for Customers	4,372,526
Confirmed Credits, Guarantees, etc., on behalf of customers	35,597,289
	£A425,731,124

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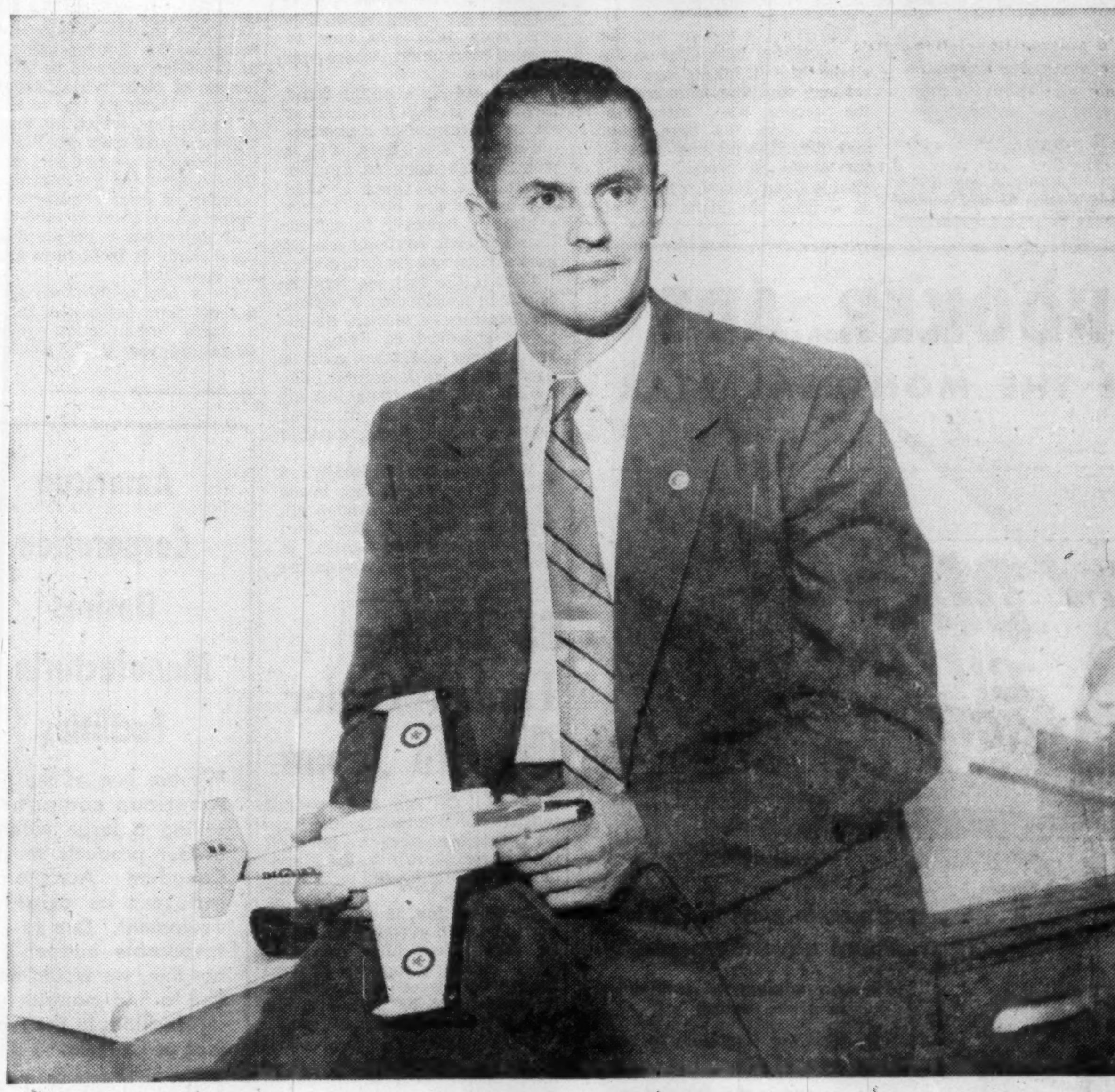

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As a family man, Mr. Ames has had experience with another "industry" that has advanced in modern times . . . *life insurance.*

Take the group insurance plan in which he shares, for example. Less than a generation ago such plans were almost unknown. Today their benefits are enjoyed by millions and provide a useful supplement to personal insurance programs.

Today, too, *all* forms of life insurance are more *flexible.* Result: people now use it for many other purposes than the basic one of protection for the family.

Moreover, life underwriters today are better trained to help people with the task of building tailor-made plans.

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ANNOUNCEMENT

ALBERT J. HETTINGER, JR.

The Manufacturers Life Insurance Company announces the election of Mr. Albert J. Hettinger, Jr., to its Board of Directors. Mr. Hettinger is a partner of Lazard Freres & Co. of New York City, a director of Jones & Laughlin Steel Corporation, Certain-teed Products Corporation, Glens Falls Insurance Company, National Fire Insurance Company of Hartford, and a Trustee of the National Bureau of Economic Research.

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LABOR ROUNDUP

By JACK McARTHUR

Democracy Worries Teamsters

Should Law Require Membership Control of Unions?

A strong light has been cast upon a crumbling cornerstone of the official policy of organized labor in Canada.

And most responsible trade unions are wishing fervently that the always troublesome AFL-TLC Teamsters Union had stayed away from the light switch.

Briefly, what has happened:

—In two recent instances, Teamsters has said — either in so many words or by implication — that the way a union runs its internal affairs is no business of management, governments or the people.

—Most other unions officially support this stand.

—But most other unions are also embarrassed by it, because they have many members and officials who think it is quite wrong.

Why do unions who rarely support Teamsters' methods and contentions go along with this one?

Simply because they are afraid. Once they admit that certain internal union matters are of public concern, they fear there will be pressure for laws to govern such matters.

And they are nervous about the many things that could be written into those laws.

Last week before the Ontario Labor Relations Board, a union lawyer (David Lewis) said flatly that whether or not members of a Hamilton Teamsters local controlled their union by democratic processes was none of management's business.

That local is run by a trusteeship — a pattern common to many Teamsters unions. A trusteeship means direct control by Detroit Teamsters leader James R. Hoffa.

This departs a long way from the old concept of a union as a group of men co-operating for their own advantage. In cases of trusteeships, it is extremely difficult for union members to direct their leaders in any way.

Thus they — and management — are at the mercy of a few men. This may work well or poorly for all concerned. But it strikes a false note with many persons — including some union members.

To get a comparison on the national level, think of the public feeling if the non-operating rail unions or the big CIO-CCL Steelworkers locals were under trusteeship to a big U. S. labor boss; if rail workers or steelworkers had no voice in selecting the union officers who administer their money and present their demands to management.

Thoughts like that may result in laws designed to make sure such things cannot happen.

Carried only that far, that might be acceptable to many unions.

But when governments sit down to write the laws insisting on democratic unions, they might also decide to include provisos defining the legal status of unions, governing strike votes and picketing (The Post, Jan. 7). That is what worries Labor.

* * *

Another example of Teamsters ambition for tight control of locals showed up in London last week. An intra-union scuffle in a hotel hallway ended in charges by one faction of the General Truck Drivers' Union (Teamsters) that the parent international is running things without regard to members' wishes. Here again, it's the trusteeship system which is under attack.

* * *

The Pattern Of Pay Increases

The Federal Labor Department has analyzed 555 labor agreements in the year ending Oct. 1 last, with these results:

—87% of workers affected got increases compared with 66% a year earlier.

—Hours of work were cut in more than 10% of the agreements.

—About half of the workers affected got wage increases of from 5c to 9.9c hr. (34% a year earlier); almost 30% got increases ranging up to 4.9c hr. (13.7%); 7.2% got increases of between 10c and 14.9c (13.1%); 1.4% got increases of more than 15c (5%); 13% got no increase (34.1%).

—Better vacation plans were included in over 20% of the agreements.

* * *

Labor Briefs

In Montreal, a judge has decided peaceful picketing is legal even when no strike has been called. This reverses a previous ruling. This is an aspect of labor which has never been fully defined by specific legislation.

* * *

United Mine Workers — expelled from the CCL and losing members in some areas — has picked up 2,500 members. The independent Canadian Workers' Association, with most of its members in Quebec, has joined UMW District 50. It will try to undermine CCL Canadian Brotherhood of Railway Employees in the tram and bus transport field, especially in Montreal.

* * *

The Federal Labor Department says conciliation board hearings on the dispute between railways and non-operating employees will begin Jan. 30 in Montreal.

* * *

Les Wismer, research director of the TLC, has voiced what appears to be Labor's counter-argument to management attacks on the influence in Canada of U. S. labor leaders. Speaking in Niagara Falls, Wismer said foreign-controlled companies in Canada should be required by law to publish financial reports on Canadian operations.

Check List—for Investors

	Yes	No
• I can name every security I own	☐	☐
• I know what I paid for them—and just where their prices stand today	☐	☐
• I have a good idea of the dividends they pay—and what the average yield is on my complete portfolio	☐	☐
• I can classify each of my holdings as to growth, income, or safety	☐	☐
• I feel sure they're the best I can buy for my purposes	☐	☐
• And I know exactly how I'd invest any additional funds	☐	☐

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U. K., Canadian Ad Agencies Form New Export Service

Walsh Advertising Co. of Canada and W. S. Crawford Ltd. of Britain, associates since 1947, have created a new international service organization designed to assist clients of each agency interested in export business. Initial emphasis will be on providing British firms with advertising, public relations, market research and merchandising counsel.

A Crawford office has been established in the Walsh organization in Toronto and Gerald Samson, a public relations counsel with Walsh, has been appointed director in Canada of Crawfords Advertising Service.

Canadian exporters may benefit from Walsh's close connection with Crawford because the U. K. firm has advertising, P.R., research and merchandising experts in most of the world's major markets.

The Canadian end of the international partnership will be directed by a three-man council composed of Samson and Walsh Vice-Presidents George E. Cross and F. Rex Werts.

Company Reports

LIBERAL PETROLEUMS in its annual report for the year ended Nov. 30, 1955, shows an $8,141 loss after charging $40,463 depreciation and depletion against revenue of $134,118. But the company's share of proven oil reserves in the Valleyview area is estimated at five million bbls. with only a portion of the possible acreage picked as lease

In the South Sturgeon area, Liberal is reported interested in 20 D3 wells with five rigs currently drilling on the original reservation.

A second lease block was selected around the 5-33 well.

Liberal and associates are reported to have an equal share of the Peace River Oil Pipe Line Co. along with eight major companies.

Managing Director Paul Guthrie states the company has the "chances of a repeat" in from one to five places:

1. Grande Prairie Reservation No. 1760 where a well is now drilling;
2. Mahaska (5% gross overriding on 9,760 acres) where oil has been found in the D1.
3. Production from the Triassic in the South Sturgeon field due to Shell securing such production within a quarter mile of a lease in which Liberal is interested.
4. Two Buick Creek reservations on which a 2½% gross override is held; a gas flow and naphtha distillate well is within a mile of the border.
5. The new wildcat Hudson's Bay-Union-Liberal now drilling below 3,000 ft. on Reservation 1679.

An $85,000 profit is shown on sale of a 25% interest in the company's net carried interest in Reservation 1760.

INCOME ACCOUNT

Years Ended Nov. 30:	1955	1954
Sales	$134,118	$110,311
Add: Misc. inc.	11,080	12,585
Less: Part.'s sh.	5,369	7,568
Haulage	13,776	9,731
Royalties	11,453	9,704
Well oper. costs	50,543	43,153
Deprec. & depl.	40,463	......
Admin. & gen. exp.	31,735	28,144
Net profit	†8,141	*24,596

*Applied against accumulated development costs.
†Loss.

CONDENSED BALANCE SHEET

As at Nov. 30:	1955	1954
Cash	$90,380	$117,769
Accts., notes, etc., rec.	33,972	30,472
Short term note	......	102,773
Investment	......	1,000
Inventory	346	346
Total curr. assets	124,698	252,360
Misc. assets	‡6,187	6,033
Invest. a/c	222,785	......
Develop. & prop.*	527,669	654,853
Equip., furn. & fix.†	102,644	114,046
Total assets	983,983	1,027,292
Total curr. liab.	14,189	17,303
Capital stock	986,216	986,216
Earned surplus	§16,422	23,773
*After w/o of	70,191	24,596
†After deprec. of	13,260	122
Working capital	110,509	235,057

‡Including $153 prepaid expenses included under current assets in co's accounts.

Growth

Manufacturing plants new to Canada, expansions of existing industry across the nation

Areas, industries are invited to report their progress in this column.

Truck Trailers

Highway Trailers of Canada Ltd., a wholly owned Canadian company, plans to start manufacture of specialized equipment and service of a complete line of truck trailers in a new building now going up on North Queen St. Incorporated a short time ago, the company is the Canadian distributor for truck trailers made by Highway Trailers Co., Wis. The new building should be ready early this spring and will have a high ceiling and crane bay.

* * *

Kitchen Appliances

Cory Corp. (Canada) Ltd., subsidiary of Cory Corp., Chicago has expanded its plant area and manufacturing facilities at Dufferin St. by 30%. Products of the company: commercial and domestic coffee brewing equipment, kitchen appliances, air conditioners and air treatment plants.

* * *

Druggists' Sundries

Youngs Rubber Corp., New York and Trenton, manufacturers and distributors of druggists' sundries, has initiated a Canadian manufacturing operation with the leasing of a modern building on Birchmount Road.

* * *

Refractories

Robinson Clay Products Co., Canadian subsidiary of the Ohio company of the same name, will soon be moving into a new head office and expanded operations in Concord, Ont., just north of Toronto. The single-story building will provide 22,000 sq. ft. floor area and the operation represents an investment of over $250,000. The company specializes in manufacture of refractory products such as high-temperature cements, plastic firebrick and castable refractories. Warehousing and distribution of pottery, china and glass products will also be carried out at the Concord plant.

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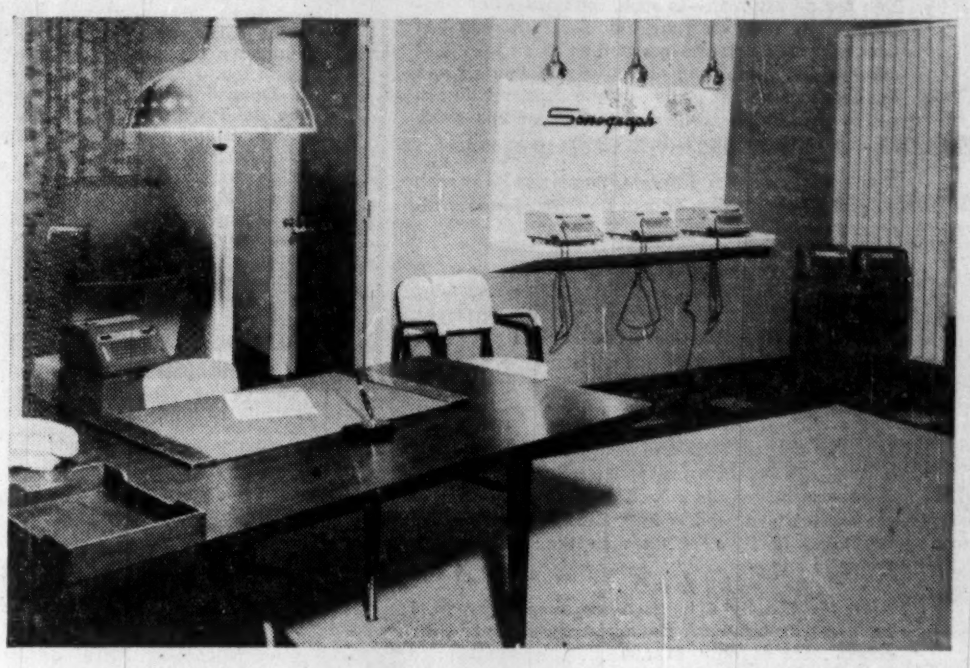

Another progressive step by Sonograph

Sonograph, leading the Canadian field in modern dictating equipment takes another step forward in the opening of this new Montreal demonstration centre.

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GORDON COMMISSION

What's Ahead for Quebec City

Briefs from Quebec City, Credit Union, Dairying

QUEBEC (Staff) — The Royal Commission on Canada's Economic Prospects appeared to receive the cold shoulder treatment from Premier Maurice Duplessis and his government this week as it resumed regional hearings.

The commission, headed by Walter Gordon, has completed hearings in eight of the ten provinces, the Northwest Territories and the Yukon. So far, briefs have been presented by about 100 organizations, provincial and municipal governments, but as the commission began its last and biggest lap — hearings in Quebec and Ontario — it drew a blank from the Provincial Government in this capital city of Canada's second largest province.

Three organizations did make representations at Quebec: the City of Quebec, the Dairy Technicians Association, and the Federation Des Caisses Populaires Desjardins de Quebec (representing the co-operative savings and credit movement in the province). Despite earlier indications that the Quebec Government would make a submission, no representative turned up, and the commissioners moved on to Montreal where a long list of briefs awaited them. There remained the possibility that Quebec Province would present a brief at Montreal.

The snub came quite unexpectedly. Observers here pointed out that Premier Duplessis had declined to make a submission to the Massey royal commission on culture, on the grounds that he considered the commission unconstitutional. No similar contention was made in this instance, and in fact, hearing dates were cleared with the Government before being set.

What Was Said

The three briefs presented outlined past growth and some estimates of future patterns. Wilfrid Hamel, Mayor of Quebec, told a story familiar to municipalities across the country — continuing growth in the city and suburbs, with slower growth in the municipal revenues needed to supply the services required. J. Peter Nadeau of the Dairy Technicians Association suggested that dropping demand for butter was threatening to spoil otherwise good prospects for Quebec's 109,000 dairy farmers. His main remedy: Ottawa must place an excise tax on substitutes for butter and other milk products, and subsidize exports of concentrated whole milk products.

C. Vaillancourt, manager of the Federation des Caisses Populaires Desjardins de Quebec, told how the co-operative savings and lending institutions had boosted their assets from $21 millions in 1940 to $374 millions by June 1955. His main recommendation: adoption of federal legislation regulating installment sales.

Here are summaries of the three briefs:

* * *

Quebec City

The City of Quebec expects to have a population in 1980 of 347,000 if there is no change in present city boundaries, compared with 225,000 now. Paved streets will total 165 miles (132 now): automobiles registered 50,800 (31,000); firemen 562 (316); policemen 437 (286).

The city expects to spend in the next 25 years $22.3 millions on water services, $17 millions on road construction and $34 millions on other projects. Of this $10 millions are described as urgent now.

Quebec is now operating on a budget of $12.7 millions yet cities of similar size are operating on budgets of $15-$20 millions.

The result has been that urgent work has had to be put off, and it has had to borrow large sums to pay for what it has been able to do.

Raising taxes or imposing new ones sends people to the suburbs where taxes are lower.

The Federal Government doesn't pay municipal sales tax on its purchases, although the city pays federal sales tax on city purchases, and Ottawa receives the same services as those in the city who pay tax.

* * *

Milk Producers

J. Peter Nadeau: milk production on Quebec farms in 1952 was valued at $158 millions, or 33% of the gross value of all farm production in the province. Milk production has increased since prewar by 1½ billion lb. to 5.5 billion, 34% of Canadian output. Quebec butter production is now 37% of the Canadian total, cheese 17%, milk powder nearly 50%, casein 90%, all concentrated milk products 34%, ice cream 23%, fluid milk 36%.

Milk production is rising, with trend toward more fluid sales, more concentrated milk, more cheese and more ice cream, volume of butter produced has increased despite increase in percentage of total milk production used for making other products. Butter consumption has dropped 22% since 1948, however, due to margarine competition.

The Canadian Government has a responsibility to protect this basic industry against competition from cheap substitutes made with cheap oils imported without duty or other taxes. An excise tax on these products is essential. Every effort must be made to reduce the price differential between butter and substitutes without lowering the return to producers.

A suitable and intelligent policy must be adopted to aid exports of concentrated whole milk products. Increased attention must be given to encourage improved economics and technology of farm production.

* * *

Credit Union

C. Vaillancourt: the Caisses Populaires were organized to meet the credit needs of farmers and working people, to teach such people the habits of thrift, and to organize credit facilities which would eliminate usury. Since the first Caisse Populaire was founded in 1900 (there are 1,130 now), they have collected $4.4 billions in small savings. They have lent $750 millions to their members and have lent hundreds of millions to school commissions, municipalities, corporations, etc.

Of the $374 millions of assets at June 30, 1955, $122 millions was invested in securities, $33 millions in loans on receivables, $148 millions in mortgages.

Interest charged on loans is 6% on the unpaid balance. On a $500 loan paid off in 24 monthly installments, the interest charge is $32.08 compared with $135.04 charged by finance companies (2% per month). If the borrower saved first by depositing $20 a month for two years at 2½% compounded semi-annually, he would have more than $500 and would save as well the $135 finance company charge.

Installment buying results in a reduction in the buyer's income available for other expenses and even may endanger his ability to pay for necessities. The idea of intelligent planning gives way to optical illusions. To protect the economy and our citizens, the Federal Government should adopt legislation to regulate installment sales.

GIRARD INSURANCE COMPANY OF PHILADELPHIA, PA.

NOTICE is hereby given that Girard Insurance Company of Philadelphia, Pa., having ceased to carry on business in Canada and having arranged to reinsure its liabilities in Firemen's Insurance Company of Newark, New Jersey, which is registered under the Canadian and Foreign Insurance Companies Act to transact insurance business in Canada, will apply to the Minister of Finance for the release on the TWENTY-EIGHTH day of APRIL, 1956, of the securities on deposit with the Minister of Finance; and that any Canadian policyholder opposing such release should file his opposition thereto with the Minister of Finance, Ottawa, on or before the TWENTY-EIGHTH day of APRIL, 1956.

DATED at Toronto, this 21st day of January, 1956.

R. H. L. MASSIE,
Chief Agent in Canada.

Cotton Textile Business Better

MONTREAL (Staff) — Activity in Canadian cotton textile mills, reports Cotton Institute of Canada, during 1955 was maintained at levels higher than those of the previous three years but did not approach the postwar peak.

Last year domestic mills opened 378,352 bales of raw cotton (500 lb. each) compared with 316,828 in 1954, 351,093 in 1953, 338,493 in 1952, 442,776 in 1951 and 454,970 in 1950 — peak year since World War II.

• Why leave money in the bank at 2% interest when you can get 4%, 5% or more, in dividends from shares in sound Canadian corporations? Our weekly list shows the current price, dividend rate and yield on 114 dividend-paying stocks listed on The Toronto Stock Exchange — you may see this list by asking for a copy of "Investment Yields".

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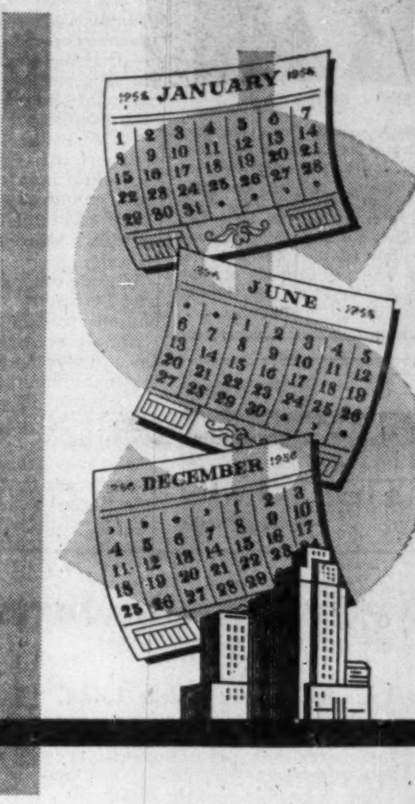

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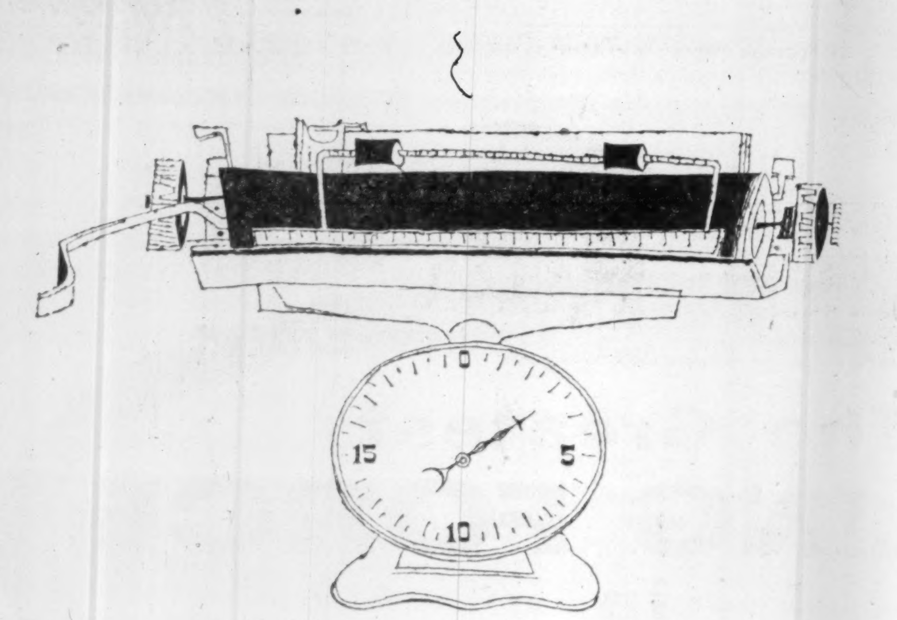

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Chances Better for Fair Columbia River Deal

Atmosphere More Favorable As U.S. Looks for Solution

By MICHAEL BARKWAY

WASHINGTON (Staff) — Canada's chance of eventually reaching a fair bargain with the United States over the waterpower resources of the Columbia and Yukon rivers now appears brighter than it has been for some time.

The United States is now looking for ways of making a deal. Until very lately it still seemed to be looking for a Canadian surrender.

The change of atmosphere here is highlighted by these developments:

—Len Jordan, former Republican Governor of Idaho, now chairman of the U. S. section of the International Joint Commission, positively told The Post that he has never questioned Canada's legal right to divert the Columbia River into the Fraser. Canada certainly has such a right, he said.

—He, and other administration spokesmen, declare that Mr. Jordan's October speech to the International Joint Commission was not a repudiation of Article II of the 1909 Boundary Waters Treaty. It was merely "an interpretation."

—Governor Jordan's handling of the Columbia negotiations with Canada is now being subjected to political attack by the Democrats in the Senate. His policy, status and qualifications are being called into question.

—Senator Richard L. Neuberger of Oregon, who is leading the attack on Mr. Jordan, asserts that Mr. Jordan's formerly uncompromising attitude on downstream benefits has driven Canada into "an extreme assessment" of the value of its upstream storage to the United States.

GOVERNOR JORDAN
"U. S. not limited"

—In hearings which are expected before the Senate Committee on Interior and Insular Affairs, Senator Neuberger will press for a "determined and constructive effort" to reach agreement with Canada on a "fair allocation of upstream costs and downstream benefits attributable to upstream storage — including possible sharing of benefits in generated electric power."

Jordan Key Man

Governor Jordan is a big, handsome politician who earned the reputation in Idaho of being a bit of a "freewheeler." Certainly he has no difficulty making up his mind. He is a staunch Eisenhower man, and is generally regarded as the accredited spokesman of the Administration on waterpower questions. But he is backed by no formal interdepartmental machinery, and it cannot always be assumed that the State Department has approved the last details of his speeches.

Senator Neuberger is asking the Senate to recommend that responsibility for waterpower negotiations with Canada should be taken away from what the Senator calls "a purely advisory committee like the U. S. Section of the I.J.C.," and that it should be "explicitly assumed by the policy-making executive departments themselves."

Meanwhile, however, Governor Jordan remains the key to U. S. policy on the Columbia and other international rivers, and is likely to remain so as long as Mr. Eisenhower is president. If the Democrats should win this year's presidential election, no one expects Mr. Jordan to stay in his present post.

The Governor always has a friendly reception for Canadians, and he seemed at pains, in talking to this reporter, to emphasize that he isn't trying to do Canada out of any of its proper rights.

We spent most of our time discussing Mr. Jordan's October speech to the Ottawa meeting of the I.J.C. (The Post, Oct. 14).

This was the speech in which Mr. Jordan asserted that a diversion of the Columbia River would injure not just a private party with a small 'p,' but "a Sovereign, the United States of America, one of the High Contracting Parties" with a big 'P'; and that therefore the Party with a big 'P' would not be "limited to the redress," provided by Article II of the Boundary Waters Treaty of 1909 for a party with a small 'p.' (The redress provided is the right to sue for damages in Canadian courts on the same basis as Canadians who might be injured by the diversion.)

Canadian comment on this speech describing it as a "repudiation" of the 1909 Treaty had, Mr. Jordan confessed, distressed him. He said—and legal advisers elsewhere in the U. S. Government support this—that this was completely wrong. He was not repudiating the treaty: this was just a matter of how it should be interpreted.

Canada's "Rights"

"I have never denied and I hope I never will deny," said Mr. Jordan, "that Canada has a perfect right to divert the Columbia waters. Of course, it has a legal right to do so."

Then what about the ominous "redress" speech, I asked.

"All I said was that the United States would not be limited to the redress provided for a private party," he answered.

"I don't know what the redress might be for the United States. It might just be a stiff note from the State Department.

"I want the Canadian engineers to press on with their studies of the possible diversions of the Columbia," Mr. Jordan emphasized. "I want to see those studies completed. And when that's done I believe we can make a bargain that will be fair to everybody."

I tried to clear up the basis on which it is being claimed that the United States, "a Sovereign, a High Contracting Party," would be injured by the diversion of the Columbia or the Kootenay. Was it just because the Columbia dams happened to be owned by an agency of the Federal U. S. Government, or was it because the alleged injury would affect all the northwestern states and exceed injury to a single private interest?

On this point both Mr. Jordan and the U. S. legal advisers were specific and clear. Their claim of injury to the Sovereign United States derives solely from the U. S. ownership of the dams.

In other words—though nobody put it like this — if Governor Jordan, as a consistent supporter of private power development, had had his way right through, the dams would be privately owned and his present claim of injury to the United States could never have been made.

Much searching of the archives has been going on in Washington, as in Canada, in the hope of turning up evidence to support the legal interpretation of the 1909 Treaty. I was told about a memorandum — never precisely identified—which was submitted to the Senate along with the draft of the 1909 Treaty. It is supposed to have been some sort of official explanation of the Treaty which contained the distinction between the High Contracting Parties with a big 'P' and injured private parties with a small 'p.'

A Legal Difference

To the Americans this dusty memorandum, whatever it may be, is impressive, because — as Governor Jordan explained—the U. S. Courts constantly use a concept known as "Congressional intent." Any evidence tending to show what the Congress meant in passing a particular statute or treaty is admissible.

To Canadians it is much more doubtful whether it has any relevance at all. Canadian courts, in interpreting statutes, have only to decide what the words of the statute or treaty mean. They assume that Parliament said what it meant. But to U. S. lawyers it is a rich treat to have a contemporary document tending to show what Congress meant by what it said.

One other U. S. reason for putting up the "Sovereign, High Contracting Party," "big 'P,'" argument was mentioned; and it has psychological, if not legal, importance.

This was the attitude taken by Canada in the recent Gut Dam case. Residents of New York State were seeking to sue the Canadian Government for damage which was alleged to have resulted from flooding in the St. Lawrence River as a result of the Gut Dam.

For many involved reasons, the Canadian Government felt that it was no more responsible than the U. S. Government. It claimed the "sovereign immunity" of any British state acting in the name of the Queen. This irritated the Americans, and unquestionably it was attractive to them to try to apply a similar doctrine of "sovereign immunity" in the quite different circumstances of the Columbia River.

SENATOR NEUBERGER
"Jordan Miscues"

I asked Governor Jordan about the Yukon River. He replied: "People keep trying to prod these things until they make them into a sore issue. Our engineers did suggest joint studies of the Yukon. Your people didn't want to take them on just now. I guess they were busy on the Columbia."

What Neuberger Says

After seeing Governor Jordan in his placid office in the so-called "Federal Triangle," in the angle between Pennsylvania Avenue and Constitution Avenue, I went up the hill to the Capitol and found Senator Neuberger in the usual busy hussle of a senatorial office. Young, brisk and frankly political, Senator Neuberger pitched directly into the same basic theme as Governor Jordan—the need for an early, fair and agreeable settlement with Canada.

But there are two fundamental differences in Mr. Neuberger's view about how the United States should go about seeking a fair settlement.

1. He flatly rejects Mr. Jordan's repeated efforts to minimize the benefits to the United States downstream plants of upstream storage in Canada. The question of diverting the Kootenay and the Columbia Rivers into the Fraser, says the Senator, "is of crucial importance to the United States." "To the Pacific North-

(Continued on page 17)

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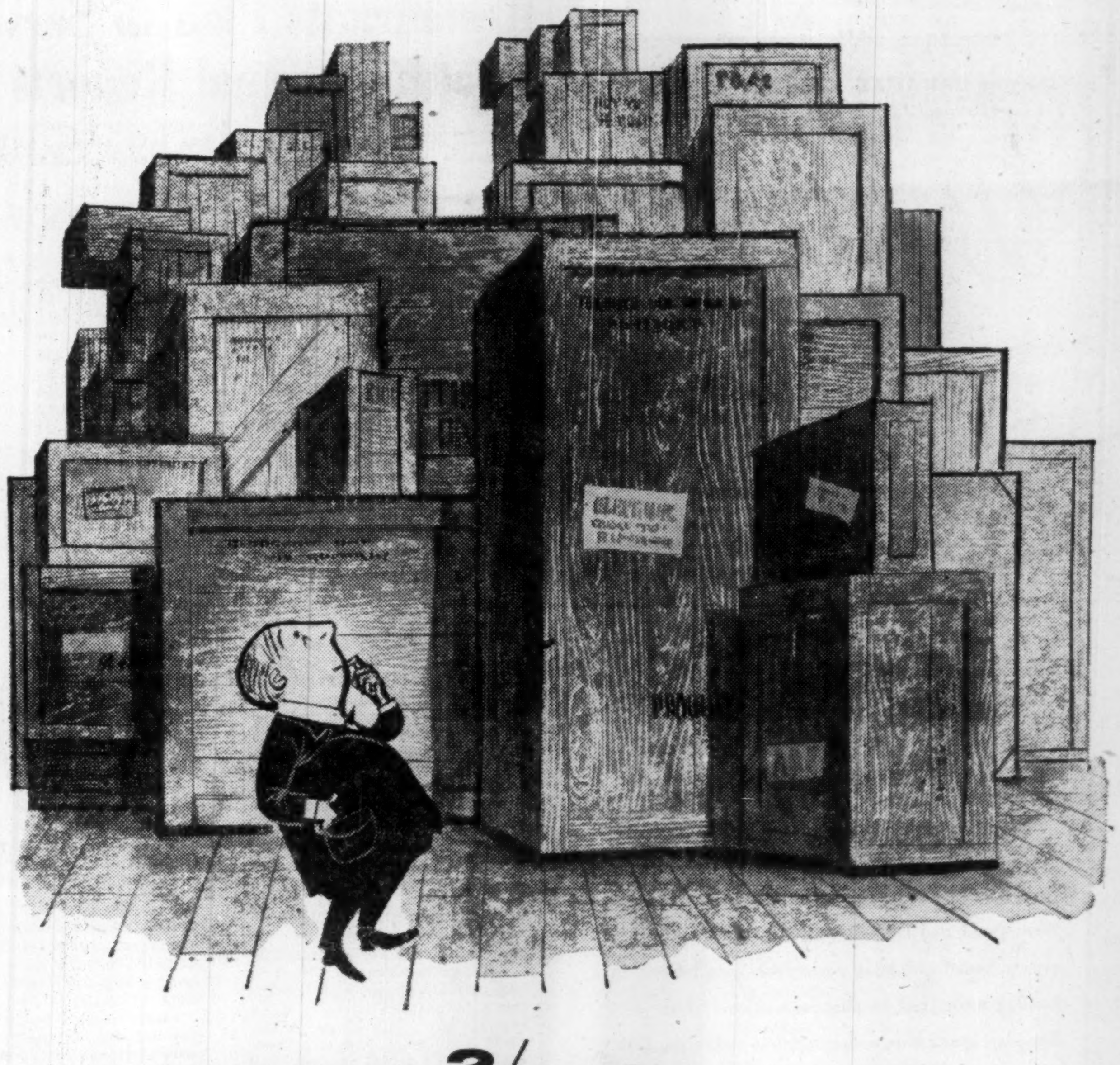

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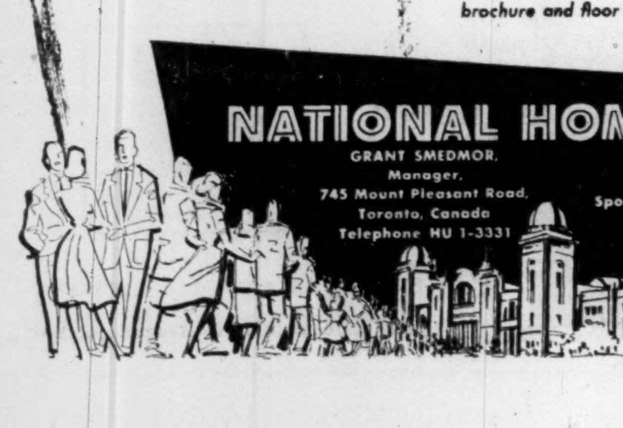

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Located between Miami and Fort Lauderdale on Florida's Gold. Coast, the resort city of Hollywood - by - the - Sea offers eight miles of beach, an excellent deepwater harbor and proximity to some of Florida's most famous attractions.

In 1920, the site of the city was a palmetto jungle. Today its off-season population is approximately 14,301. The city was incorporated in 1926. This year it plans to celebrate its 30th anniversary with a round of festivals, water shows, concerts, etc.

A smaller version of the better-known resorts in this area, it shares many of their charms without having some of their disadvantages. It is near enough to benefit from the same climate, scenery, ocean front as Miami and Ft. Lauderdale, and is close to the famous race tracks. At the same time it is off the crowded and noisy main stream.

In the early days one large, deluxe hotel, the Hollywood Beach, dominated the community. Today it is still the largest hotel and one of the continent's most luxurious as well as the focal point for many of the community's activities. But now there are many more hotels, some deluxe, many first class, but none as large or as expensive. Rates at the Hollywood Beach, which is really a self-contained resort, run from about $22 to $30 per person per day, American Plan. Private suites are, of course, more expensive. Other hotels charge approximately $12 to $24, double, per day without meals, for excellent accommodation. As is true of all expanding Florida resorts, there is hotel, guest house, motel or apartment accommodation available at almost any price.

"The Beach" is what any Florida-bound vacationer dreams about, and here it is the social centre of the community. Warm sand, white surf and brilliant sunshine may be enjoyed year round. The Flamingo Pool on Hollywood Beach is the site of many international aquatic events.

Yachting is a traditional sport and yachtsmen visiting Hollywood this winter will find a completely "new look" about the municipal yacht basin. A two-story operations building has been put up with showers, equipment lockers, laundry, store rooms and dock offices.

Horse racing has long been a favorite diversion for Florida holidaymakers. Close to Hollywood are the famous Hialeah, Tropical Park and Gulfstream Tracks. Transportation to and from these tracks may be easily arranged through most of the larger hotels.

Dog Racing, a specialty at Hollywood, has just started on its 1956 winter season. The huge track, beautifully landscaped with lawns, trees and flowers, is close by and is a busy, exciting centre during the winter months.

Orange Brook Golf course, where a number of international tournaments are held, this year opens an additional nine holes to the public. Another famous course is that which is owned and operated by the Hollywood Beach Hotel.

Boat cruises, by sunlight or moonlight, and deep-sea fishing excursions may be arranged through the hotels. Excellent guides, lunches and fishing tackle are provided, and full day or half-day trips may be taken.

Sightseeing trips on terra firma may be undertaken by the visitor driving his own car or guides may be hired to drive him along the coast, into the lake district in the heart of the state, to the Everglade country and through a great variety of scenery.

HOLLYWOOD BEACH Hotel is a landmark for the Florida Gold Coast and focal point of community activity at Hollywood-by-the-Sea. Hotel is one of most luxurious on continent, but resort area offers variety of accommodation at all prices.

A full schedule of activities has been planned for winter visitors by the Hollywood Recreation Department to tie in with the city's birthday celebrations. This includes all forms of sports — swimming, yachting, fishing, tennis and golf tournaments. In addition to sporting activities there will be new classes in crafts and arts.

The "approaches" to Hollywood-by-the-Sea are many.

By air, from Toronto the return fare is $152 via Tampa or $164 via New York, and the trip takes six to eight hours. Only 20 miles from the International Airport at Miami, the drive to Hollywood takes only half an hour. Helicopter service has been made available by one airline.

By train, the fare is $121 return via Detroit, or $140 via New York, plus sleeping accommodation and meals. Traveling time is 20 to 24 hours; stopovers vary in length.

For those who travel by rail or by air, private cars may be hired with ease on arrival. Rates start at approximately $40 to $45 weekly plus 8c per mile.

One of the most enjoyable ways to travel to Hollywood is by car if time will permit a leisurely journey. Excellent highways lead to the city and pass through beautiful scenery. State Road A1A (Ocean Trails) runs almost the full length of the state and hugs the Atlantic coast all the way.

Those motoring down the centre of the state by Route 27 connect with the extension of Hollywood Boulevard, the city's main west artery. Another choice is Route 441, which skirts Lake Okeechobee and leads to the city from its western limits. Still another trip may be planned by motoring down Florida's west coast, and cutting across state through the colorful sugar and cattle country.

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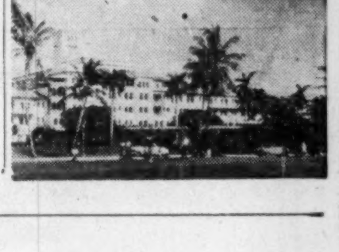

Restaurants Plan to Serve Healthy Annual Reports

This is the year that Canada's restaurant and catering industry expects to catch up with the boom, cash in on new investment in equipment and new facilities and serve up the healthiest annual reports in years.

It won't be all clear sailing. Ticklish problems of staff, food costs and added competition will be required to keep red ink out of individual operator's books.

Figures for 1955 business are deceptively disappointing. Pointing to a total business slightly better than 1954's, the estimated $458 million total doesn't include the big grosses currently being coined by three important outlets: Industrial feeding operations and restaurants in variety and department stores and offices. These fast-growing additions to the Canadian food serving scene are conservatively estimated to have handled an additional $50 millions in business last year.

These are the main indicators pointing to good 1956 prospects:

—More and better outlets. Estimates of capital investment during 1955 in restaurant construction, improvements and new equipment run as high as 10% of total investment in the industry. The roughly 15,000 regular restaurants plus industrial establishments are in the best shape ever to handle extra trade.

—Good locations. Dozens of suburban eateries, drive-ins and highway inns have sprung up since the war. In other words, the restaurants have shifted to new locations to serve the new suburban and traveling markets.

—Population growth. Canada's 15.8 million population means more potential customers than ever before. The surge in the 15-35 age group resulting from the wartime period of high birth rates is sure to pay off—they're the biggest eating-out age group.

—Specialty houses. Capitalizing on higher living standards which provide more money and more leisure time, new restaurants are being opened coast to coast specializing in European and other premium dishes. Many existing outlets are adding—and selling—fancy items on their menus.

—Extra services. Big improvements in packaging, food preparation have made extras such as take-out and curb service pay off. They're described as excellent supplementary income sources.

Standards Rising

"Standards of food service operation are showing a great improvement," Mrs. F. G. Montgomery, managing director of the Canadian Restaurant Association, told The Post. "This tendency will bear down on low grade, inefficient operations to the extent that many will not survive — many that should not be in the business."

This weeding-out process is expected to leave the industry in healthier shape. With better organized and equipped restaurants, a bigger percentage of restaurants will be providing customer-catching menus and service, more people will be interested in eating out and business will grow.

This was the pattern of business failures in the industry during the last few years.

Year		Failures	Liabilities $000
1953	First qtr. ..	14	79
	Second qtr..	11	140
	Third qtr. .	16	150
	Fourth qtr..	30	235
1954	First qtr. ..	28	284
	Second qtr..	14	380
	Third qtr. .	13	141
	Fourth qtr..	21	329
1955	First qtr. ..	27	368
	Second qtr..	19	200
	Third qtr. .	21	269

Some of these flops tie in with recurrent problems of staff, costs and competition in the industry. For the first half of 1956, these are the comments of restaurant managers about the major trouble spots:

The Staff Problem

Staff: Personnel will need more attention than ever. Higher standards of living will mean higher wages and the possibility of greater union organization among the 85,000 restaurant employees (currently about 5%-6% are union members). It will also mean further steps to train employees and improve efficiency and efforts to cut down the estimated 11% annual turnover of restaurant staff.

Supplies: Most operators expect some increases in their food and other supply costs. Most seasonal produce is still a question mark but costs of equipment, construction materials, furnishings, meat and poultry and several varieties of specialty foods are expected to be up. Canned goods, particularly vegetables, are expected to be down a bit during the first half.

Competition: The price of modernization and mechanization to meet new restaurant competition is running high. Winter off-season reductions aren't as freely available as in other years, reflecting generally improved business this winter in construction trades. In some centres, there's a shortage of skilled labor. Indications are that this situation won't ease until next fall at the earliest.

Weather: Always unpredictable, the elements already have had an effect on business in Western Canada where record-breaking low temperatures and deep snow have been reported. From Regina, restaurant owner J. McElgunn told The Post that recent heavy storms brought a land-office business to local restaurants. "No one could leave the city by bus or train and both hotels and restaurants in the downtown section were well filled," he said.

"Cold weather definitely put a crimp in business," F. Wattam, Calgary restaurant operator said. "People stayed indoors until the last few days before Christmas and our anticipated increase for the better part of December didn't materialize."

Expect '56 Highway Program Will Top Alberta's Budget

From Our Own Correspondent

EDMONTON — Highway expenditures are expected to top the list again for 1956-57 budget to be brought down in the Alberta legislature which will open its regular session Feb. 9.

The 1955 vote for roads hit a record $56,511,875 or 25.35% of the total budget. The 1956 figure is expected to equal 1955's total.

On capital account, the 1955 appropriations for highways totaled $40,674,440, made up of $29,046,900 for main highways, $3,037,665 for the trans-Canada highway, of which half is recoverable from the Dominion Government, $5,000,000 for bridges and $12,000 for ferries, with $577,875 for sundry construction. The balance of the provincial roads program was allotted to income account and included costs of district roads and maintenance.

Last year, the Alberta budget amounted to $223 millions for all departments and purposes.

Oil revenues continue to play a vital role in the budget picture. Since 1948, the province has received an estimated $283,833,000 from oil development on provincial lands. On the other hand, treasury officials point out that an estimated $248 millions has been spent on capital construction, with $40 millions on debt retirement, to account for a total of $288 millions.

No matter what the size or method of financing, the budget must be passed by March 31, as the new fiscal year will open April 1.

One matter which the budget will clear up is the extent of municipal financial assistance to be forthcoming from the Government this year. E. W. Hinman, provincial treasurer, has made it clear that lending under the Municipal Capital Expenditure Loans Act will have to be curtailed for the time being.

The reason for the Government's change of policy is that the revolving fund, set up in 1953 to provide low interest loans, has almost run out of money. At the end of November, the fund contained $11,078,560 out of its original $100 millions. During the past three years, municipalities borrowed nearly $89 millions.

One of the troubles, it appears, is that the fund has not been revolving long enough. According to provincial officials, the amount paid back into the fund by municipalities so far is well under $10 millions.

Many municipal officials like the revolving fund idea, under which the province makes loans to municipalities at 2½% and 3½% interest.

While it appears certain that the fund will be maintained, the part it will play in municipal financing may depend on the Government's proposed review of provincial-municipal financial relations which was recently announced.

The forthcoming session will also receive the report of the McNally Royal Commission on Metropolitan Planning & Development. The Commission held numerous sittings last year to consider the problems of expansion in Edmonton and Calgary and also the question of whether additional areas should be included within the urban sections.

Interest also is centred on the Royal Commission appointed to investigate opposition charges of maladministration by the Provincial Government. The Alberta Government named the commission.

The first chairman was Mr. Justice Hugh John Macdonald, of the trial division of the Supreme Court of Alberta. During the fall, the Commission held sittings and at the Oct. 21 adjournment had completed an investigation into the awarding of highway contracts. It was in the process of dealing with loans and overdrafts granted to members of the legislature by the Provincial Government's treasury branches.

Recently, the sittings, which had been adjourned twice since Oct., were set over until Feb. 20.

A recent development was the resignation of the chairman, Mr. Justice Macdonald, who had been ordered to hospital by his medical advisers, owing to a back ailment.

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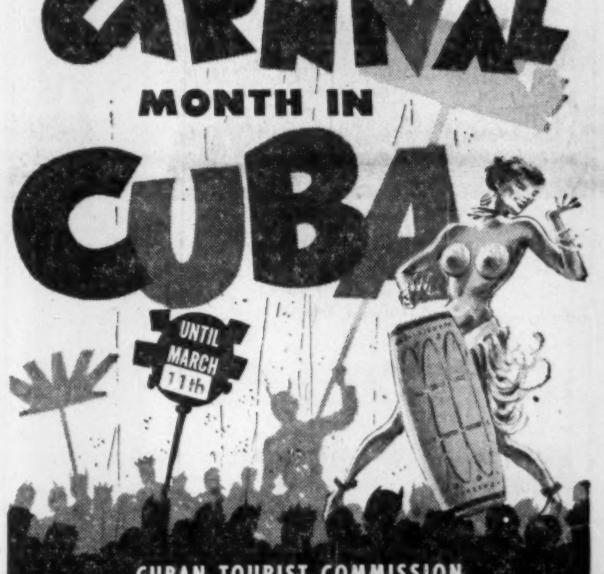
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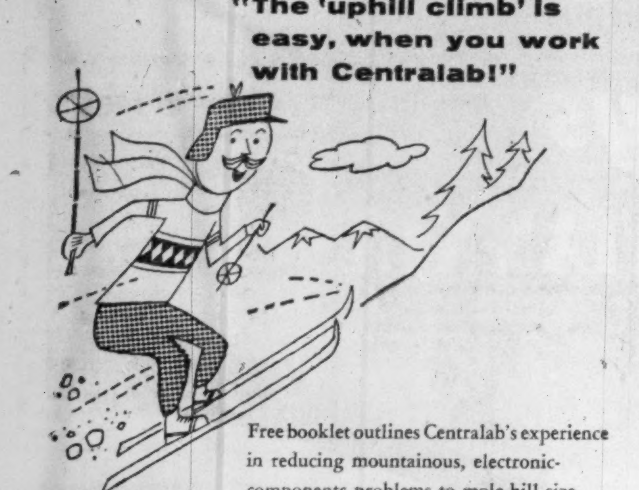

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More Controls on Banking Business?

How 'Secondary Reserve Ratio' Could Affect Credit

Prof. Neufeld is a lecturer at the University of Toronto's Dept. of Political Economy and the author of a recent study on the Bank of Canada.

Changes important to the Canadian business scene appear to be under way in the banking system in relation to the Bank of Canada. Here is a special Financial Post report on recent developments and their implications.

By PROF. E. F. NEUFELD

Over the last few months the Bank of Canada and the chartered banks have met several times for discussions. The substance of these talks was not revealed even though rumors, now proven correct, suggested that it was of considerable importance to the effectiveness of the Bank of Canada's monetary controls, to the chartered banks' security operations, and to the general relationship between the Bank of Canada and the banks.

It seemed also that the usually "sunny" atmosphere surrounding such discussions had on this occasion turned somewhat "cloudy," perhaps even "stormy." This in itself warrants reflection, for the maximum use of monetary controls for fighting inflation requires mutual understanding between banks and central bank.

One aspect of these talks, perhaps the most important one, is now known, for Mr. Muir in his presidential address to the shareholders of the Royal Bank of Canada last Thursday, spoke of ". . . the requirement by the Bank of Canada that a second line of reserves in Treasury Bills and day-to-day loans be established by the chartered banks sufficient with existing statutory cash reserves of 8%, to bring these first and second line reserves to a total of 15% by May, 1956."

This could indeed be an important and controversial change.

But before discussing the implications of this move it may be wondered why matters of this kind and importance were not announced officially or unofficially some weeks ago? Why must their public announcement be delayed until one banker decides that the public should know? And is the announcement as read both complete and correct? Have the banks in fact agreed to the change. There seems no very good reason why all doubts should not now be removed by a comprehensive statement from the principals involved.

Using Moral Suasion

As to the change itself, the banks were already required under the Bank Act to maintain a cash ratio of 8%, but they were not required to maintain any specific secondary reserve. If the banks do in fact comply with the new "requirement," and it appears that some banks have begun to build up their bill holdings, it will be further evidence, perhaps the most important evidence, of the moral force of the Bank of Canada. There is no statute which compels the chartered banks either to maintain a certain secondary reserve or to do what the Bank of Canada tells them to do.

The banks would probably have to buy treasury bills to meet the new requirement, for the demand for day-to-day loans is limited and in any case these yield less than bills.

On the basis of the latest bank figures, they would have to buy over $200 million treasury bills by May. The supply of bills will be available, for the government has been increasing the amount outstanding each week. To make room for these bills the chartered banks would probably have to sell short and medium-term bonds and contract loans, for it is unlikely that the Bank of Canada will give the banks extra cash to finance bill purchases. Not that such further sales of government bonds would once more necessarily depress the bond market, for the government has been running a cash surplus which it can use to take bonds off the market, via the Bank of Canada, and put them in the securities investment account. This has apparently already been the case, and it does not lead to an expansion in the money supply. There is also now a decline in seasonal loans which together with a squeeze on other loans might make room for a certain amount of bills.

In the long run the banks might react to the shortening of their security holdings (i.e. reduction in yield from it) by looking rather more closely at longer term bonds.

Possible Reasons for Change

Why did the Bank of Canada insist on the change in bank assets noted above? No explanation has been given, but there would seem to be three possible reasons:

—to increase its control over the banks' lending powers and to lessen bond market fluctuations;

—to save interest on the public debt;

—and to develop further the short-term money market.

At the moment, the first seems most relevant.

To the extent that the banks now contract loans — not just seasonal loans — to meet the new requirements, the current credit squeeze will be taken a step further. But more important, by requiring the banks to maintain a rigid proportion of treasury bills, it in fact prevents the banks from running off selling at least that portion of its securities in order to expand loans; a portion on which their capital loss is not too great.

And as long as the banks hold a surplus of securities, itself a result of war finance and past cheap money policies, the possibility exists that they will react to a tight central bank money policy not by immediately scrutinizing their loans very closely but rather by dumping government securities on the market. This has happened several times since the war, including during the past few months.

Possible Results

Some delay in the effectiveness of a central bank-initiated credit squeeze and perhaps extreme shocks to the bond market (as the banks begin to sell heavily) are the two undesirable results.

If the banks have no surplus securities to sell or cannot sell them because of the secondary reserve ratio, then they will have to scrutinize their loans when cash is tight and the market will be saved from a flood of government securities. Few would argue that with the heavy reliance on monetary policy for controlling inflation which exists today, monetary controls must be made effective.

But it is by no means certain that the method of requiring rigid secondary reserve ratios is either the only way or the best way to achieve this, and it has certain disadvantages and weaknesses.

The tendency, if any, for the banks to contract loans to meet the requirements will be present only until the new ratio has been achieved; that is, it is a temporary measure not repeatable unless the secondary reserves ratio becomes a variable one.

If the secondary reserve requirement does not absorb all the banks' surplus securities, then they will still be able to switch securities for loans. Also, the requirement forces all banks into a common liquidity position without any allowance for variations in the nature of deposits, loans, and securities as between one bank and another; for example, a bank with not very many large, swiftly moving accounts would be required to maintain the same reserves as one which carried many such accounts.

Instead of the bank's secondary reserve structure being decided by the chartered banker on the basis of liquidity and profit motives, they will be decided arbitrarily by the central banker for monetary control reasons.

Why not follow a policy which will produce the best of both worlds: which will leave the banks free to operate but within a framework of effective monetary controls? Why not fund short-term bank held government securities (over a period) into long-term issues which they do not hold, (or at least which they would be reluctant to sell in the face of heavy book losses)?

In the short-run, the central bank might exercise its moral suasion in requesting the banks that they do not switch further securities for loans, probably not a more difficult task than that of requiring higher secondary reserves. In general, monetary controls must be effective; if they can be made so without imposing rigidities on the market, then that is the preferable course of action.

It might be remembered that while the joint-stock banks in England do emphasize their secondary reserve ratio, they are not required to maintain any rigid ratio. And even with their fairly stable secondary reserve ratio, the edge has sometimes been taken off the credit squeeze through the banks having other surplus securities to sell.

One result of a high secondary reserve ratio will be to increase the demand for Treasury Bills, i.e. for low-yielding government debt. Some saving of debt charges is therefore a possibility; there is however no indication as yet that this was a motive in the change; nor would it be easily justified.

Finally, by thus increasing the amount of short-term debt in the market, it might be hoped that the newly-formed money market would become even more active. But since the banks would merely be forced to hold continuously a certain block of bills there seems no reason to believe that either the breadth of the market or actual trading would thereby be materially increased; it might mean only that the banks would always seek the longest dated Bills to maximize their income on a portfolio which they consider too liquid.

Were the central bank to exclude the banks from the tenders and permit only dealers to take up new bills (roughly the London practice) then market transactions would of course be expanded; but there is no suggestion either that this is contemplated, or that it would be desirable.

Also, if the 15% ratio is rigid, the banks would have to meet any reduction in day to day loans by an increase in bill holdings. These day to day loans were intended partly to permit the banks to adjust their cash; the new requirements could make this more difficult.

All in all, the change in reserve requirements could harm and not help the growth of an active short term money market.

I admit readily that the foregoing consists of speculation as to the purposes of the secondary reserve requirement; but this is the only course possible until the whole matter has been more fully explained.

ANNOUNCEMENT

NORMAN F. CARNEGIE

Hugh Mackay & Company, members of all Stock Exchanges in Canada, announce the appointment of Norman F. Carnegie to their Toronto Office. Mr. Carnegie has had many years' experience in the brokerage business and returns to Toronto after five years in Winnipeg as Western Manager of the F. P. Weaver Coal Company.

Cdn. Utilities Issue to Be Open To Albertans

MONTREAL (Staff)—A new issue of $1.5 millions of Canadian Utilities Ltd. 4½% cumulative redeemable preferred stock is expected to be made soon by Wood Gundy & Co. and Nesbitt Thomson & Cc. and a group of dealers in Alberta. Phice will be 95 to yield 4.47%.

The offering will be open only in Alberta. Price will be 95 to added to general corporate funds to meet 1956 expense involved in company's expansion program.

Major expenditure is $2,889,000 for completion of a new building and installation of a power plant at Battle River. Other outlays include $600,000 for transformers and meters.

Total expenditures in 1956 are estimated at $5,619,000.

BRITISH COLUMBIA FOREST PRODUCTS LIMITED

NOTICE OF REDEMPTION

To the holders of the First Mortgage Twenty-Year 4% Bonds, Series "A", due May 31, 1966 of the above-mentioned Company secured by a Deed of Trust and Mortgage dated as of the 31st day of May, 1946 in favour of The London and Western Trusts Company Limited, Trustee (which company has been succeeded in the trusts thereof by The Canada Trust Company), and other Indentures supplemental thereto:

NOTICE IS HEREBY GIVEN that on the thirteenth day of February, 1956, British Columbia Forest Products Limited, pursuant to the powers contained in the above-mentioned Deed of Trust and Mortgage and Indentures supplemental thereto, intends to redeem and will redeem all of its said First Mortgage Twenty-Year 4% Bonds, Series "A", which may then be outstanding by payment of one hundred and two per centum (102%) of the principal amount thereof together with interest on the said principal amount accrued and unpaid to the said thirteenth day of February, 1956, on presentation and surrender of the said Bonds, together with all unpaid coupons belonging thereto, at any branch in Canada of The Royal Bank of Canada.

The holders of the said Bonds are accordingly required to present their Bonds, together with all unpaid coupons belonging thereto, for redemption on the aforesaid date at one of the aforesaid places.

NOTICE IS ALSO GIVEN that in case such Bonds be not so presented for redemption on the said thirteenth day of February, 1956, at one of the aforesaid places, all interest thereon shall cease from and after the said thirteenth day of February, 1956.

DATED at Vancouver, British Columbia, this 6th day of January, 1956.

BRITISH COLUMBIA FOREST PRODUCTS LIMITED
Per: "A. G. Rankin" (Secretary)

BRITISH COLUMBIA FOREST PRODUCTS LIMITED

NOTICE OF REDEMPTION

To the holders of First Mortgage Sinking Fund 4½% Bonds, Series "B", due July 1st, 1966, of the above-mentioned Company secured by a Deed of Trust and Mortgage dated as of the 31st day of May, 1946, in favour of The London and Western Trusts Company Limited, Trustee (which Company has been succeeded in the trusts thereof by The Canada Trust Company), and by an Indenture dated as of the 1st day of July, 1950, made between the above-mentioned Company and The Canada Trust Company and other Indentures supplemental thereto:

NOTICE IS HEREBY GIVEN that on the thirteenth day of February, 1956, British Columbia Forest Products Limited, pursuant to the powers contained in the above-mentioned Deed of Trust and Mortgage and the said Indenture dated as of the 1st day of July, 1950, intends to redeem and will redeem all of its said First Mortgage Sinking Fund 4½% Bonds, Series "B", which may then be outstanding by payment of one hundred and one and fifty-hundredths per cent (101.50%) of the principal amount thereof together with interest on the said principal amount accrued and unpaid to the said thirteenth day of February, 1956, on presentation and surrender of the said Bonds, together with all unpaid coupons belonging thereto, at any branch in Canada of The Royal Bank of Canada.

The holders of the said Bonds are accordingly required to present their Bonds, together with all unpaid coupons belonging thereto, for redemption on the aforesaid date at one of the aforesaid places.

NOTICE IS ALSO GIVEN that in case such Bonds be not so presented for redemption on the said thirteenth day of February, 1956, at one of the aforesaid places, all interest thereon shall cease from and after the said thirteenth day of February, 1956.

DATED at Vancouver, British Columbia, this 6th day of January, 1956.

BRITISH COLUMBIA FOREST PRODUCTS LIMITED,
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Statement of Condition as of December 31, 1955

ASSETS	
Cash, Gold and Due from Banks	$1,616,567,604
U. S. Government Obligations	1,319,313,958
Obligations of Other Federal Agencies	44,951,603
State and Municipal Securities	541,346,809
Other Securities	148,354,019
Loans and Discounts	3,184,559,907
Real Estate Loans and Securities	30,218,301
Customers' Liability for Acceptances	42,126,245
Stock in Federal Reserve Bank	15,000,000
Ownership of International Banking Corporation	7,000,000
Bank Premises	35,961,202
Items in Transit with Branches	11,008,921
Other Assets	4,887,952
Total	$7,001,296,521

LIABILITIES		
Deposits		$6,308,783,237
Liability on Acceptances and Bills	$63,475,161	
Less: Own Acceptances in Portfolio	18,354,147	45,121,014
Due to Foreign Central Banks (In Foreign Currencies)		21,909,500
Reserves for: Unearned Discount and Other Unearned Income		25,231,364
Payments Under Agreement of Merger Dated March 1, 1955		216,700
Interest, Taxes, Other Accrued Expenses, etc.		34,027,837
Dividend		6,000,000
Capital (10,000,000 Shares—$20 Par)	$200,000,000	
Surplus	300,000,000	
Undivided Profits	60,006,869	560,006,869
Total		$7,001,296,521

Figures of Overseas Branches are as of December 23.

$433,849,290 of United States Government Obligations and $22,571,200 of other assets are pledged to secure Public and Trust Deposits and for other purposes required or permitted by law.

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ENGLAND: London (*117, Old Broad St.*, West End *11, Waterloo Pl.*)
FRANCE: Paris
HONG KONG: Hong Kong
INDIA: Bombay, Calcutta
JAPAN: Tokyo, Nagoya, Osaka, Yokohama, *Camp Otsu, *Camp Zama, *Naval Air Station Iwakuni, **Military Facility*
LEBANON: Beirut
MEXICO: Mexico City (*54 Avenida Isabel la Católica*, Republica)
PERU: Lima
PHILIPPINES: Manila (*Juan Luna*, Port Area), Cebu, Clark Field
PUERTO RICO: San Juan (*2 José de Jesús Tizol St.*, Santurce), Arecibo, Bayamon, Caguas, Mayaguez, Ponce
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SAUDI ARABIA: Jeddah
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BLAIR FRASER, in this special Maclean's report, considers the outcome of the election if Eisenhower can't run.

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THE LONELY CHILDREN

BY SIDNEY KATZ

Thousands of bewildered Canadian children are walled off from reality by the terrible mental illness, schizophrenia (split personality). Be sure to read this Maclean's report on a truly tragic situation.

JAYCEES

The boys in the Junior Chamber of Commerce often behave like circus clowns, but there's a method to their madness. David MacDonald tells the lively story of Canada's most unusual do-gooders and their plans to change the world!

MY HEART BELONGS TO OLD McGILL

Ex-student Phyllis Lee Peterson takes a sentimental journey back to her alma mater, and finds that McGill is still a wonderfully exciting place.

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Defense Contracts

The Department of Defense Production awarded contracts worth $11,813,165 during the period Nov. 16 - Nov. 30, including $5,129,002 placed by Defense Construction (1951) Ltd. Here is a breakdown of all non-secret contracts over $10,000:

Contractor / Commodity	Value
Abercorn Aero Ltd., Montreal; aircraft tow	$ 19,282
Aircraft Appliances & Equipment Ltd., Toronto, aero engine spares	93,738
Aviation Electric Ltd., Montreal; aircraft spares	10,910
Gordon Beardmore & Co., Oakville, Ont.; food	33,895
British American Oil Co., Toronto; gasoline	12,862
British American Oil Co., Toronto; engine oil	16,454
Canada Catering Co., Toronto; catering services	99,770
Canada Packers Ltd., Halifax; meat	25,932
Canada Packers Ltd., Halifax, meat	26,500
Canada Packers Ltd., Halifax; dairy products	14,412
Canada Packers Ltd., Halifax; meat	23,998
Canada Packers Ltd., Montreal; meat	10,610
Canada Packers Ltd., Toronto; dairy products	10,605
Canada Packers Ltd., Toronto; meat	19,519
Canada Packers Ltd., Toronto; canned goods	11,707
Canadair Ltd., Montreal; aircraft spares	348,041
Canadair Ltd., Montreal; modification kits	18,412
Canadian Aviation Electronics Ltd., St. Laurent, Que. electronic equipment	816,872
Canadian Converters' Co., Montreal; clothing	12,203
Canadian Converters' Co., Montreal, clothing	75,349
Canadian General Electric Co., Montreal; electrical lamps	65,938
Canadian Ingersoll-Rand Co., Montreal; air compressors	108,624
Canadian Marconi Co., Montreal; communication equipment	209,066
Canadian Marconi Co., Toronto; electronic tubes	40,294
Canadian Pittsburgh Industries, Montreal; paints	33,932
Canadian Tubular Case & Carton Co., Montreal; ammunition containers	679,286
C. A. Sales Co., Montreal; food	23,232
Central Creameries Ltd., Charlottetown; dairy products	17,910
Chrysler Corp. of Canada, Windsor; spare parts for trucks	140,000
Coppley, Noyes & Randall Ltd., Hamilton; clothing	392,379
Crystal Glass & Plastics Ltd., Toronto; acrylic sheets	43,342
Dales Bros. Ltd., Edmonton; crushed gravel	15,840
Dales Bros. Ltd., Edmonton; crushed gravel	32,000
Dietrich-Collins Equipment, Vancouver; spares for rock crusher	19,551
Domac Technical Sales Ltd., Ottawa; electronic equipment	20,000
Dominion Fabrics Ltd., Dunnville, Ont.; towels	10,432
Dominion Sound Equipments Ltd., Ottawa; public address sets	30,585
Dowty Equipment of Canada Ltd., Ajax, Ont.; aircraft spares	11,278
Drapery Trimmings Co., Toronto; lanyards	12,075
Dustbane Mfg. Co., Ottawa; industrial vacuum cleaners	15,716
Federal Wire & Cable Co., Guelph, Ont.; electrical wire	55,975
First Co-operative Packers of Ont. Ltd., Barrie; meat	10,596
Frontenac Overall Ltd., St. Evariste Sta., Que.; clothing	25,812
Godfrey Engineering Co., Montreal; aircraft equipment	106,300
Griffith Laboratories Ltd., Toronto; food	26,202
Halifax Shipyards Ltd., Halifax; docking, installation	95,000
Hampton Manufacturing Co., Quebec; clothing	598,686
T. W. Hand Fireworks Co., Cooksville, Ont.; pyrotechnics	18,964
International Harvester Co. of Canada, Hamilton; motor vehicles	33,248
International Paints (Canada) Ltd., Montreal; paints	22,430
Joy Manufacturing Co. (Canada), Galt, Ont.; air compressors	58,128
Kaufman Rubber Co., Kitchener, Ont.; footwear	71,198
Kaufman Rubber Co., Kitchener; footwear	22,421
Walter Kidde & Co. of Canada, Montreal; fire-fighting eqpt.	29,894
Leach Textiles Ltd., Huntingdon; cloth	277,950
Legrade Inc., Quebec; meat	18,076
Lincoln Canning Co., St. Catharines, Ont.; canned goods	19,680
Lucas-Rotax Ltd., Toronto; spares for ships' machinery	11,914
Maple Leaf Plastic Ltd., Toronto; tableware	74,751
Marsland Engineering Co., Kitchener, Ont.; development project	10,000
Massey-Harris-Ferguson Ltd., Toronto; accessories	12,887
McColl-Frontenac Oil Co., Toronto; gasoline	10,118
Miller & Gabbe Ltd., Montreal; clothing	189,594
Miller & Gabbe Ltd., Montreal; clothing	48,053
Minneapolis-Honeywell Regulator, Toronto; aircraft switches	10,910
J. S. Mitchell & Co., Sherbrooke, Que.; hand tools	10,140
North American Cyanamid Ltd., Toronto; explosives	130,000
Ontario Department of Highways, Hamilton; water pipe line	15,750
Paragon Supplies Ltd., Vancouver; welding equipment	11,394
Peacock Brothers Ltd., Montreal; spares for ships' machinery	13,128
Prenco Progress & Engr. Corp., Toronto; marine hardware	24,336
Rogers Majestic Electronics Ltd., Ottawa; developing project	42,665
Rosco Metal & Roofing Products, Ottawa; warehousing eqpt.	37,520
Rosco Metal & Roofing Products, Ottawa; warehousing eqpt.	12,000
J. H. Ryder Machinery Co., Toronto; bore-matic machine	13,815
Shell Oil Co. of Canada, Toronto; fuel oil	51,657
Sinclair Radio Laboratories, Toronto; communication eqpt.	30,997
Sivaco Wire & Nail Co., Marieville, Que.; hardware	23,798
Sonograph Engr. & Mfg. Co., Leaside, Ont.; installation of eqpt.	17,200
Sorel Industries, Sorel, Que.; spare parts for howitzers	26,327
Standard Aero Engine Ltd., Winnipeg; aero engine spares	27,659
Steel Equipment Co. Ltd., Ottawa; ships' furniture	10,213
Swift Canadian Co., Halifax; meat	34,272
Swift Canadian Co., Toronto; meat	12,005
Swift Canadian Co., Toronto; meat	11,515
Tarry Construction Co., St. Thomas, Ont.; water and hydrants	12,400
Taylor Advertising Ltd., Verdun, Que.; prototype display table	20,445
Telephone Mfg. Co., Toronto; communication equipment	55,299
Telephone Mfg. Co., Toronto; multiplex toll equipment	156,839
J. Spencer Turner Co., Hamilton; cloth	20,174
J. Spencer Turner Co., Hamilton; cloth	32,945
United Co-operatives of Ontario, Toronto; dairy products	11,800
Upton, Bradeen & James Ltd., Ottawa; grinding machine	12,054
Vulcan Iron & Engr. Ltd., Winnipeg; engineering equipment	19,303
J. W. Windsor Co., Montreal; canned goods	12,196
M. Wintrob & Sons Canada Ltd., Toronto; anti-gas eyeshields	17,625
Wiring Devices Ltd., Almonte, Ont.; spares for rifle	11,683
Yamaska Shirt Ltd., St. Hyacinthe, Que.; clothing	197,673
Zimmerman Bros. Ltd., Tavistock, Ont.; ammunition containers	52,818

Contracts awarded by Defence Construction (1951) Ltd., Nov. 16-30, 1955

Contractor / Commodity	Value
Artistic Painting & Decorating Contractors, Ottawa; painting	16,000
Atlas Construction Co., Montreal; recreation building	396,006
Atlas Construction Co., Montreal; supply depot	435,888
Beaudet & Fils Enr., Quebec; firing bay blast walls	10,900
Black Top Paving Co., Hagersville; hardstanding area	12,980
Burns & Dutton Concrete & Cstr. Co., Edmonton; officers' mess	574,380
Cameron Contracting Ltd., Halifax; revisions to water supply system and pumphouse	14,400
Cameron Contracting Ltd., Halifax; steam distribution system	37,980
Canadian Comstock Co., Ottawa; sewers, drains	36,068
Matthew L. Carroll (Ont.) Ltd., Toronto; stores building	175,638
Christensen & MacDonald Ltd., Edmonton; stores building	352,666
Colt Contracting Co., Toronto; cleaning, repainting, repairs	10,107
George A. Crowe, Picton, Ont.; landscaping	12,694
Diamond Construction Ltd., Fredericton; forestry hdqr. bldgs.	137,000
James T. Doyle Ltd., Vancouver; cleaning, repainting	47,825
Ellis-Don Ltd., London; junior ranks building	281,000
Frank's Contracting Co., Brantford; installation of insulation	13,100
Foundation Maritime Ltd., Halifax; foundation piling	31,015
Fundy Construction Co., Halifax; stores building	188,860
Horne Construction, Prince Albert, Sask.; tile flooring	13,652
Hughes Construction Co., Toronto; garage	335,900
Walter G. Hunt Co., Montreal; stores building	294,064
A. Janin & Co., Montreal; physical training building	1,126,000
Maple Leaf Construction Ltd., Winnipeg; asphalt surfacing	11,809
H. J. McFarland Construction, Picton, Ont.; water, roads, sewers	335,863
Municipal Ready Mix Ltd., Sydney, N.S.; paving perimeter road	10,279
Municipal Spraying & Contracting Ltd., Greenwood, N.S.; repairs to existing roads	16,440
Provincial Engineering Ltd., Montreal; steam dist. system	100,000
Standard Paving Maritime Ltd., Halifax; parking area	13,626
Terminal Construction Co., Ottawa; sports field	44,864
Terminal Construction Co., Montreal; replacement of windows	24,877
Young Electric, Edmonton; provision of power to hardstands	17,121

New York Life Will Increase Canadian Offices

Many new agency offices will be opened in Canada in 1956 by New York Life Insurance Co., states Frederick A. Wade, Canadian vice-president.

Speaking before a company meeting in New York he reported that sales of the organization's ordinary life policies in Canada had increased 32% in the first 11 months of 1955 over 1954 sales. Accident and sickness sales jumped 66% in the same period; over-all sales of group insurance were up by more than 30%.

These 1955 increases, he pointed out, were indicative of the accelerated upward trend in business by New York Life in Canada during the past ten years. The next decade, he declared, would be a period of even greater expansion.

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SEC Reports Executive Stock Changes

Among changes in security holdings reported by the U. S. Securities & Exchange Commission, covering reports filed with the SEC in December by company officers and directors were the following:

John Forbes Evans, officer, sold 100 shares of Aluminium Ltd., reducing his holdings to 410 shares at the end of November.

W. H. Hohag, Jr., officer, bought 2,000 shares Banff Oil Ltd., increasing his holding to 4,000 shares at the end of November.

C. Edward Disher, officer and director, bought 400 shares Calgary & Edmonton Corp., increasing his holding to 9,450 shares at the end of November.

V. M. Drury, director, held 100 shares Calgary & Edmonton Corp. at the end of November. Drury & Co., in which he has an interest, bought 500 shares during July and an additional 500 shares during August, increasing its holding to 2,500 shares at the end of August.

Argus Corp. had 400,000 shares Canadian Breweries Ltd. at the end of November, acquiring 50,000 shares in exchange for same number of $1.25 cumulative convertible preference shares, thus eliminating its holding of the preferred shares by the end of November.

George M. Black, Jr., officer and director, had 10,000 shares of Canadian Breweries Ltd. at the end of November, acquiring 2,500 shares in exchange for same number of $1.25 cumulative convertible preference shares, thus eliminating his holding of preferred shares by the end of November.

Ellis D. Slater, director, sold 400 shares Distillers Corp.-Seagrams, reducing his holdings to 9,700 shares at the end of November.

John L. Loeb, director, bought 9,775 shares Dome Exploration (Western) Ltd. and gave 7,475 shares as a gift, increasing his holding to 20,000 shares at the end of November. A trust in which he has an interest held 13,040 shares at the end of November.

Clifford W. Michel, officer and director, bought 400 shares Dome Mines Ltd., increasing his holding to 500 shares at the end of November. Wenonah Development, in which he has an interest, held 41,000 shares at the end of November.

Allen D. Marshall, officer, acquired 500 shares General Dynamics Corp. through exercise of options. This represents his entire holding at the end of November.

Frank Pace, Jr., officer and director, bought 3,000 shares General Dynamics Corp., increasing his holding to 9,000 shares at the end of November.

William J. Hutchinson, director, bought one share International Nickel Co. and sold 500 shares, reducing his holding to 501 shares at the end of November.

Laurence B. Gibson, officer and director, bought 100 shares Jupiter Oils Ltd., increasing his holding to 3,000 shares at the end of October. Mrs. Aileen Gibson bought 300 shares, which represented her entire holding at the end of October.

Hugh B. Griffith, officer, bought 500 shares Okalta Oils Ltd., increasing his holding to 1,600 shares at the end of October.

Thomas P. Miller, officer, received 2,000 shares Okalta Oils Ltd. in exchange for stock of Jasper Oil Corp. This represented his entire holding at the end of August.

William H. Farrand, director, sold 1,900 shares Scurry-Rainbow Oil Ltd., reducing his holding to 500 shares at the end of November.

Latest order to be announced by The Bristol Aeroplane Company, Limited is one placed by Canadian Pacific Airlines for 3 Britannias MK 300 (with an option for 5 more) scheduled for delivery in 1957.

To airline operators the Bristol Britannia MK 300, the world's first long-range turbo-prop airliner, opens up completely new vistas of economical, high-speed trans-continental and overseas air travel. And for passengers, the absence of noise and vibration in the turbo-prop Britannias, plus super-luxury, the latest in seating comfort and picture windows, will make "Britannia travel" the most desirable in the world.

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These Woodworkers Are In the Auto Business

And Provide Tillsonburg With Two Claims to Fame

By JACK McARTHUR

Canadians who have heard of Tillsonburg, Ont., are likely to think of it in terms of either basketball or wood.

And that's fine with the Southern Ontario city's biggest industry — Livingston Wood Manufacturing Ltd. It has won national prominence in both.

Although it no longer operates a championship basketball club, the firm and its young executive team hope to score more points in their business of engineering and manufacturing machined wooden components and packing cases for Canadian industry.

The facts of life for this progress-minded company are many and widely varied:

The St. Lawrence Seaway; automobile exports; industry's increasing recognition of the value of good packaging; shipping boxes 25 feet long; wooden wheel blocks; a central location; a drive for diversification.

Livingston has recently completed expansion worth about $150,000, is planning more growth to cost about $100,000. It has more than 400 employees including some 80 at a feeder plant in the Georgian Bay area close to the timber supplies of Northern Ontario.

Packages of Fords

Livingston's biggest job is one of its most recently acquired. It's familiarly called CKD and SKD. That means "Completely Knocked Down" and "Semi-Knocked Down" and refers to the two ways in which Ford of Canada vehicles are exported. The CKD operation comprises about 33% of the firm's total volume.

The latest expansion resulted from the decision by Ford to have Livingston do all its packing and shipping for export. About 125 employees presently are on that job, first begun in August this year.

"There may be more growth in the export packing end of our business," suggests Livingston's pleasant-spoken, secretary-treasurer, William T. Barrett. "We hope we will do such a good job on a time-consuming task that other companies will want us to handle their exporting."

The Tillsonburg company had been making Ford's exporting boxes for years, but until this year the automaker did its own packing.

Finally Ford decided to let Livingston do the job. Now it never sees many of the 6,000 different parts involved.

Ford and its suppliers ship component parts directly to Tillsonburg, where they are placed in stock. In come the export orders — calling for so many vehicles, including such-and-such models, to go to South Africa or Australia or New Zealand.

How They're Packed

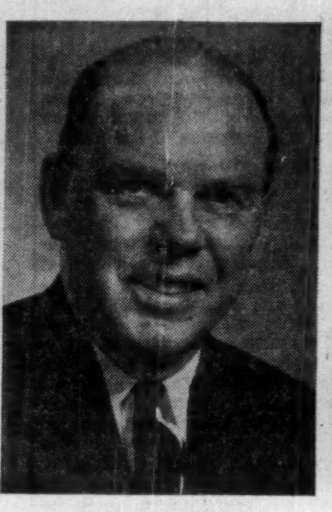
Stockpickers — who are continually checked for frequency of error — get the necessary parts.

They go into huge wooden boxes, which have been especially constructed on a design to accommodate parts of a specified number and type. The shipments are always in 12-unit multiples with the 48-unit pack predominating.

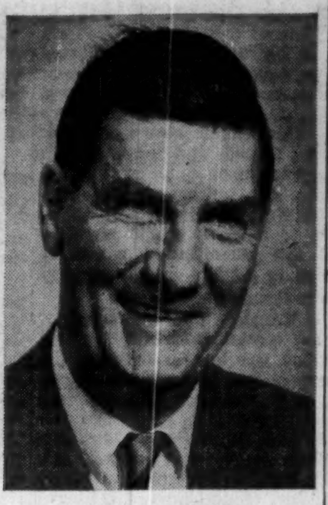
Although the selection and packing of parts is continually checked and cross-checked for accuracy (it would be a terrible shock if an assembly plant in Australia received 144 cars lacking rear fenders), there's a final check.

Livingston knows what a completed crateful of parts should weigh. Before shipping, boxes go onto a big weighscale. If, say, a 4 ft. x 5 ft. x 9 ft. box which should weigh 1¾ tons is underweight or overweight, there has to be an explanation. If someone doesn't know what it is (a substitution of parts, maybe), then there's been a serious mistake which has to be remedied. But that's a rare event.

G. V. LIVINGSTON
President



E. H. COOKMAN
Vice-President



W. T. BARRETT
Secretary-Treasurer

A shipment may involve 40 or 50 big boxes. In every case, the right parts must be in the right crates in the right quantities or there's going to be trouble thousands of miles away in the assembly plant.

When Ford products are traveling to a country without a local assembly plant, they go SKD — partially assembled. For example, two trucks can be packed in three big boxes.

These operations have been synthesized into routine. But when Ford makes a model change, Livingston will have to do another intricate job of packaging engineering because there will be new parts of different weights and sizes.

Ford is also a customer, along with Canada's other automakers and scores of electrical manufacturing, farm implement and other companies, for wooden components.

Wood In Cars

You think there is no wood in a modern motor vehicle? Take a closer look.

There are wooden supports under the seats, wooden trays and shelves in luggage compartments. Livingston did a big job in wood for the Buick Estate Wagon a few years back. Truck floors often are wood or part-wood.

And when you ship a car or tractor you need wooden wheel blocks and frames. They're not big items individually but are needed in great quantity.

Biggest shipping crate ever turned out at Tillsonburg was a 25-foot giant for Goodyear Aircraft of Akron, Ohio. Its use: For jettison-type auxiliary gas tanks.

But whether it's a mammoth job or a battery box, Livingston has always to justify its existence by making more efficient use of wood than its customers can. Some customers make that easy by minimizing packing problems, by letting retired sweepers do the job.

Like his executives, the boss thrives on tough engineering problems. He's President and General Manager Gerald V. Livingston, who directs the firm from a spacious birch-paneled office in a converted house across an outlying Tillsonburg street from the plant.

He's got the reputation of a good-natured, fair-minded administrator whose thoughts are never far from business problems. His summer cottage is just a stretch of water from the Gravenhurst plant.

Livingston has a controlling interest in the company, which he began as a proprietorship in 1940. He is 40, has seven children — four boys and three girls.

His top wo lieutenants are Barrett and Vice-President E. H. Cookman. Like Barrett, Cookman is quiet and unassuming. He's been with the company since its inception, is in direct control of the manufacturing end of the business. He formerly was with Frost and Wood in the farm implement manufacturing business.

Cut Down Waste

Livingston's insistence on efficient use of wood includes the sawdust, too. Each machine in the plant is equipped with a blower which picks up the sawdust. Heating is almost entirely with sawdust. Also, much sawdust is sold to roofing firms.

Other economies result from diversification. Because wood is used for scores of different items, careful planning means little wastage. This might be impossible in a single operation.

Diversification is one reason Livingston is in Tillsonburg instead of a more obvious location like Toronto, Hamilton or Windsor.

Tillsonburg is within easy distance of all three of these manufacturing centres, isn't overly dependent upon any one. London is nearby, Sarnia and the U. S. not far away.

Railways and roads radiate in all directions. Sixteen miles south is Port Burwell on Lake Erie. When the St. Lawrence Seaway is finished, Livingston looks for an expanded market through use of ocean shipping facilities at Burwell.

The company recruits most of its labor force locally. But when it must bring people in, the Chamber of Commerce can supply some inducement.

The town is well-treed, not too large (7,000 people), close to bigger cities without being troubled by smoke and traffic problems. It centres a prosperously stable farm area, specializing in tobacco and dairy farming. The climate is mild, resort areas close.

Sport a Magnet

The basketball team was a magnet for potential executive material. Livingston's chief accountant, Bill Coulthard, is a former captain of the Tillsonburg Livingstons. Bob Simpson, star end for football's Ottawa Rough Riders is another former Tillsonburg basketballer. Basketball stars Harry Wade, Woody Campbell and Red Curren are all members of the Livingston business team.

The Livingstons won the Dominion senior championship in 1951-52, played in the 1952 Olympics in Helsinki.

But the company reluctantly gave up sponsorship when it became obvious the district could not provide suitable jobs for enough star college players to keep a team staffed with championship personnel.

Livingston has a union shop, organized by CIO-CCL International Woodworkers which took over from CIO-CCL Steelworkers by mutual agreement a few years ago.

There's been no labor trouble. Senior employees are allowed to purchase stock. There's an incentive pay system, with which the union co-operates.

An added aid to better service is the trucking fleet owned by the company. "When we make a promise, we can't always expect an independent trucker to become part of our promise. So we do our own delivering," explains Barrett.

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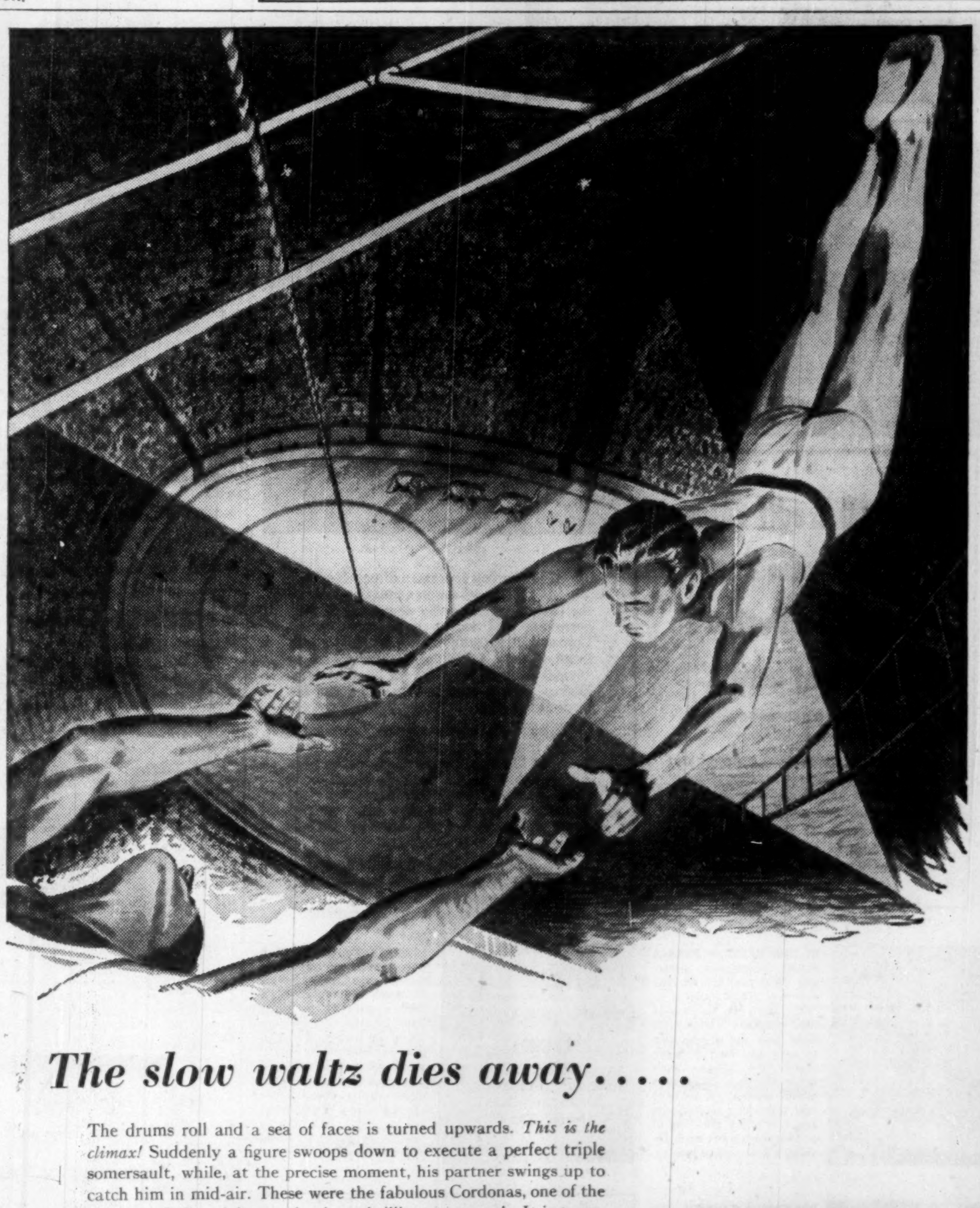

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Capital Gains and Tax Laws

Tax Journal Looks At Newest Income Tax "Scare"

Early in the fall, the recurrent "scare" on the taxation of stock market capital gains in Canada was featured in the daily press. At that time, The Financial Post reported that no case was imminent involving taxation of capital gains made by an ordinary investor, and that there was no evidence of any significant change in Ottawa's treatment of capital gains (The Financial Post, Sept. 24). In an article in the latest issue of the Canadian Tax Journal the capital gains picture is reviewed in the light of past court and legislative experience. Here is a digest:

Some weeks ago the press reported a case was to be heard shortly by the Tax Appeal Board in which an appeal was to be made from an assessment on gains made on the Stock Exchange. Though no such case has yet been reported, the press announcement appears to have caused a minor panic, and gave rise to a spate of editorials and other comments, most of them protesting vociferously against such assessments.

The main arguments in most of these editorials were similar in type, and may be summarized as follows:

(1) As Canada is a growing country where investment should be given every encouragement, it should not have a tax on capital gains.

(2) Ottawa tax collectors might be widening their interpretation of our income tax laws to include their application to occasional profits in real estate or on the stock exchange. There were reports that quite a number of taxpayers had actually been assessed on their market profits, in spite of the statements of the Federal Government that such profits are not subject to income tax. Some papers feared that more of this taxing might be going on than the public was aware of, and suggested that the time had come for it to be made a public issue, so that the Government would be forced to declare openly exactly where it stood.

(3) Taxation may be encroaching on capital gains not so much through the law as through the interpretation given to the law by taxation officials. Income tax laws have always given tax officials wide discretion in deciding what is income and what capital gain, and until recent years their decisions tended toward a liberal interpretation.

When a man bought and sold real estate or stocks, his profits were regarded as capital gains unless he was by occupation engaged in the business of dealing in stocks or in real estate. However, it was suspected that this liberal attitude is changing, and that although the profit from an isolated deal in property is usually not taxed as income, a series of transactions is normally now regarded as an ordinary business. All this leads to the question of where the line is to be drawn, or at what point trading transactions become too numerous to be considered to produce capital gains; and that of whether there can be a clear and consistent standard for the tax officials to apply.

(4) If a man is to be taxed on the profits he occasionally makes in the markets, is he to be allowed to deduct from the profits the amounts he loses? If the Government wants to share in every profit is should be willing to participate in the losses.

The press appeared to feel that, generally speaking, there were two broad principles for the Government to consider. (1) That capital gains are no longer the prerogative of a moneyed class, but are made at one time or another by most of us who make some small investment—obviously with a hope of gain. If the scope of taxation is being widened to include gains hitherto not taxed, a great many Canadians, who are already paying relatively high taxes on their modest incomes, will be affected. (2) That as a young and growing nation, Canada needs all the investment capital it can get, and cannot afford to have investment discouraged by a narrow interpretation of the law. The tax system, in fact, should encourage rather than discourage investment.

This sort of thinking seems to deserve criticism on several points, for though the submission that our growing economy requires a liberal tax attitude toward risk investment is one with which almost everyone agrees, the reasoning is clouded by an apparent confusion of the facts.

First of all, the suggestion in some of the recent editorial articles that the Tax Appeal Board is identifiable with the tax gatherers of Ottawa is a misconception. The Board is a court of record, and as such is as impartial and even-handed in dealing with the disputes between Government and citizen as is the Supreme Court. Any suggestion that the Board is an arm of the Department of National Revenue, and as such is seeking to change the law by interpretation contrary to the wishes of Parliament, is not only a departure from the truth but also undermines a judicial body and does a disservice to the country.

Second, the law applicable to capital gains as pronounced in current cases is the same as it was 50 years ago. Capital gains are still not taxable as income, and profits derived from occasional transactions in securities or land are still regarded as capital profits.

In both Britain and Canada, a gain is taxed only if it is derived from a "scheme for profit making" or "concern in the nature of trade." Although an isolated transaction is usually exempt, the courts invariably proceed further by enquiring whether the operations involved in a questioned transaction "are the same kind and carried on in the same way as those which are characteristic of ordinary trading in the line of business in which the venture was made." For example, see the recent House of Lords decision in Edwards (Inspector of Taxes) v. Bairstow, (1955) 3 All E.R. 48. The fact that a trading venture is "on the side" has never qualified profit derived from it for tax exemption.

Third, the drawing of the line between capital gain and ordinary income has never presented the courts with more difficulty than have many other legal problems. The flood of reported decisions in recent years is undoubtedly attributable to two causes: we have an Income Tax Board to which appeal may be taken from departmental rulings; and we have been passing through a period of high prosperity during which many taxpayers have been able, as never before, to find side profits in property dealings.

Fourth, the courts have uniformly held that if a loss is derived from a transaction or series of transactions that would otherwise have resulted in a taxable profit, the loss is deductible in computing the taxpayer's over-all income. Such a deduction was prohibited by statute until 1952. Close examination reveals that the courts have been more liberal than Parliament in allowing loss deductions in the computation of consolidated income.

Fifth, capital gains are still chiefly concentrated in the hands of the high income sector of the population. Although there are no reliable statistics in Canada, American studies indicate that 80% of all capital gains are received by the top 5% of all income groups. Further, reliable surveys indicate that most capital gains are derived from securities transactions. While all such gains are taxed in the United States, there are only two reported cases in Canada involving the taxation of securities resale profits—and both taxpayers were corporate stock brokers who earned the profit in transactions collateral to their ordinary business.

Lastly, neither Parliament nor the Minister of Finance has exhibited any unawareness of the need for encouraging risk investment in Canada. The 20% tax credit to shareholders on dividends received from taxable corporations substantially eliminates the double taxation of corporate income. The 100% inter-corporate dividend credit eliminates what might otherwise be triple taxation. Finally, the special concessions to Canadian investment companies and nonresident-owned investment companies enable investors inside or outside Canada to receive dividends at a greatly reduced over-all rate of tax—less in fact than the marginal rate of tax imposed upon a single man earning $5000 a year as wages or salary. These remarkable concessions to investors are the envy of the foreign financial world, and are far more liberal than the incentives offered to the American public by the Internal Revenue Code of 1954.

To conclude, it appears that the concern expressed by the press is unfounded. The few court decisions to which reference has been made are merely evidence of the process of separating the wolves from the flock—the former being those enterprising persons who attempt to wear the sheepskin of the ordinary investor while carrying on ordinary trading businesses or ventures which the law has always declared to be taxable.

Bank Staff Changes

Toronto-Dominion:

W. N. DOUGLAS, manager, Clarksburg, Ont., to be manager, Mitchell, Ont.

J. T. COBURN, manager, Bethany, Ont., to be manager, Clarksburg, Ont.

G. A. WENTWORTH, accountant, Colborne & Queen, Brantford, Ont., to be manager, Bethany, Ont.

F. V. JOHNSTON, acting manager, St. Lawrence & Cremazie, Montreal, to be manager of that branch.

D. E. McGEACHAN, accountant, 8th & 4th St., West, Calgary, to be assistant manager at that branch.

R. C. PEARCE, assistant manager, 8th & 4th St. West, Calgary, transferred to inspection department, western division, Winnipeg.

K. E. KENNEDY, first assistant manager, St. Lawrence Blvd. & Prince Arthur, Montreal, to be first assistant manager, 240 St. James St., Montreal.

R. F. REDPATH, second assistant manager, St. Lawrence Blvd. & Prince Arthur, Montreal, to be first assistant manager at that branch.

L. B ROUTLEY, credit officer, 240 St. James St. W., Montreal, to be second assistant manager, St. Lawrence Blvd. & Prince Arthur, Montreal.

R. E. STEWART, accountant, Academy Rd., Winnipeg, to be accountant, Quesnel, B.C.

M. BURNS, chief clerk, 1310 S. W. Marine Dr., Vancouver, to be accountant at that branch.

D. G. GILMOUR, chief clerk, 301 Columbia St., New Westminster, to be accountant, Trail, B.C.

H. G. MOORE, accountant, Cardinal, Ont., to be accountant, Millbrook, Ont.

D. L. REID, accountant, Portage & Edmonton, Winnipeg, to be accountant, Portage & Notre Dame, Winnipeg.

R. K. KENT, accountant, 240 St. James St. West, Montreal, to be credit officer at that branch.

A E BAIRD, accountant, Yonge & Teddington Park, Toronto, transferred to securities dept., 240 St. James St. W., Montreal.

M. GINGRAS, chief clerk, Kevis, Quebec, to be accountant at that branch.

S. M. PEDERSON, assistant accountant, 1310 S. W. Marine Drive, Vancouver, to be accountant, 301 Columbia St., New Westminster, B.C.

J. M. HAGERTY, first assistant accountant, City Hall branch, Toronto, to be accountant, 5208 Yonge St., Toronto.

W. J. DENNISON, assistant accountant, Brockville, Ont., to be accountant, Cardinal, Ont.

W. L. McCORD, assistant accountant, Guelph, Ont., to be accountant at that branch.

L. E. MARTIN, assistant accountant, Eglinton & Dufferin, Toronto, to be accountant at that branch.

F. G. McDOWELL, discount clerk, Portage & Notre Dame, Winnipeg, to be credit officer at that branch.

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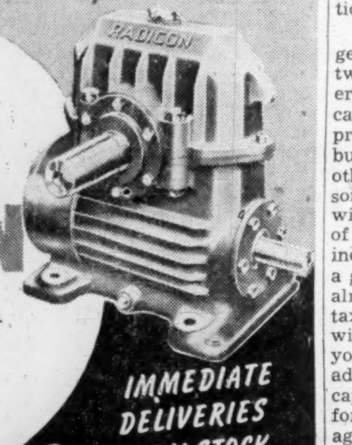
the original
fan cooled
WORM REDUCERS
RADICON



IN EVERY INDUSTRY YOU'LL FIND RADICON REDUCING SPEEDS AT LOWER COST
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DAVID BROWN (CANADA) LIMITED
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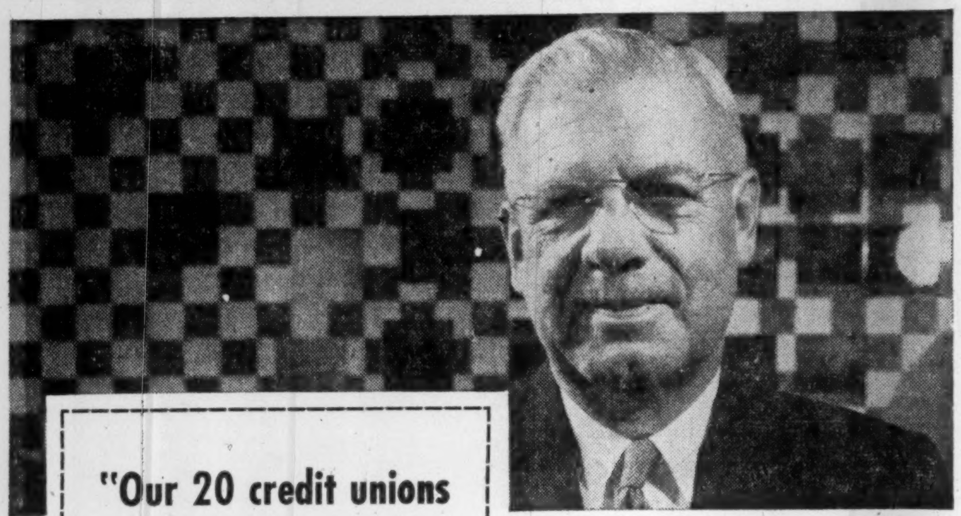


"Our 20 credit unions have become one of Ralston Purina's important assets"

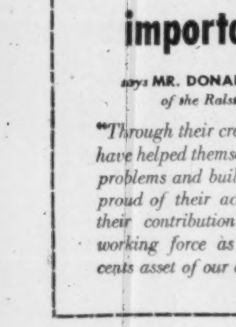
says MR. DONALD DANFORTH, president of the Ralston Purina Company

"Through their credit unions, our employees have helped themselves solve personal money problems and build financial security. I am proud of their achievement, and I regard their contribution to the welfare of our working force as a valuable dollars-and-cents asset of our company."

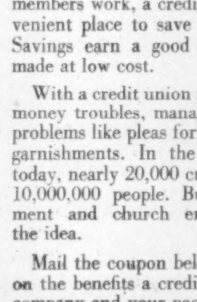
A CREDIT union is a group of people with a common bond—such as employment by the same company—who operate their own borrowing and saving organization under Government supervision. Set up right where members work, a credit union provides a convenient place to save and get financial help. Savings earn a good return, and loans are made at low cost.

With a credit union to help employees avoid money troubles, management is spared many problems like pleas for pay advances and wage garnishments. In the Western Hemisphere, today, nearly 20,000 credit unions serve some 10,000,000 people. Business, labor, government and church enthusiastically endorse the idea.

Mail the coupon below for full information on the benefits a credit union can bring your company and your people.



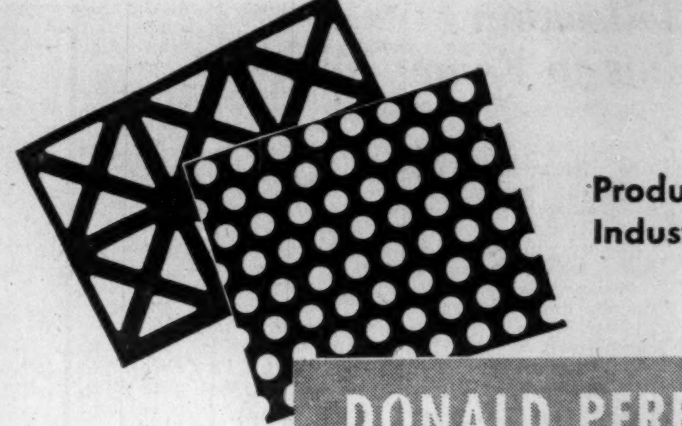
IN ONE RALSTON PURINA PLANT, adjustment manager William J. Miller serves as credit union treasurer. Here Mr. Miller tells new member, Mary Rose Gale, how she will be able to save and borrow more easily. By helping each other through their own credit union, employees not only gain materially, but also enjoy a feeling of accomplishment and develop a fine spirit of loyalty.



"CREDIT UNION LOANS have helped me out many times," says Charles Ervin, lift-truck operator. "It's sure a comfort to know you can get cash quickly when some expense you're not expecting hits you." Many members borrow and pay cash for major purchases at a considerable saving over instalment buying. 20 credit unions operate in Ralston Purina plants and offices.

"SAVING IS EASIER," says maintenance man, Harry Buescher, "when you've got a credit union so handy right where you work. And the good return these credit union savings earn gives you all the more reason to put away every cent you can." This plant credit union has been in operation since 1933. Today it has 312 members and its assets total well over $100,000.

CLIP AND MAIL
Credit Union, Dept. F-39, Box 65, Hamilton, Ont.
Please send me without cost, complete information about credit unions.
NAME..
ADDRESS..
....
COMPANY NAME..



Product of a 1001 Industrial Uses
DONALD PERFORATED METALS

Here's one use.
Perforated metal is used by lamp manufacturers to make modern lamp shades.

Perforated metals are used in many industries in a variety of applications. Their principal application is screening in processing solids and liquids. — Available in all shapes and sizes of perforations in light sheets and heavy plates in nearly all metals. Write for a copy of our Perforated Metal Catalogue No. 4. It's handy for reference.

CANADA'S LARGEST MANUFACTURER OF PERFORATED METALS.

DONALD ROPES AND WIRE CLOTH LIMITED
HAMILTON * CANADA

MANUFACTURER — Wire Rope and Cable. Perforated Metal Screens. Woven Wire Screens. Industrial Wire Cloth.

SHIP *Anything... Anywhere...* in BATHURST CONTAINERS

For shipments to the four corners of the earth—or to the four corners of your own town — Bathurst offers you a complete line of corrugated containers and wirebound boxes.

Easy to handle . . . economical . . . and laboratory tested at every stage of manufacture, Bathurst containers are famous for their strength, attractive appearance and durability.

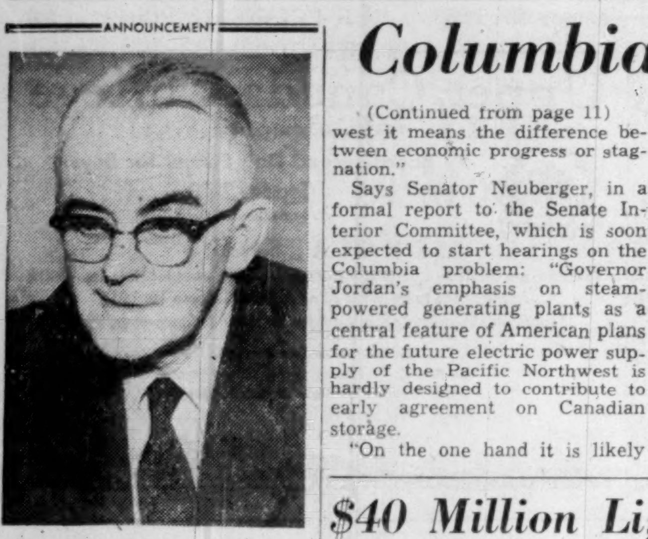
Whatever your shipping requirements or problems may be, consult us. The services of our packaging design and engineering department are at your disposal.

One organization from FOREST to PACKAGE

SALES OFFICES AT:
1000 GERRARD ST. E., TORONTO, ONT.
CAVELL AVE., HAMILTON, ONT.
1035 HODGE ST., ST. LAURENT, QUE.

56-1M
FROM FOREST BATHURST TO PACKAGE
POWER & PAPER COMPANY LIMITED
PULP AND PAPERBOARD MILLS AT BATHURST, N.B.
CONTAINER PLANTS AT:
HAMILTON, ONT. TORONTO, ONT. WHITBY, ONT. ST.-LAURENT, QUE. MONTREAL, QUE.

ANNOUNCEMENT



THOMAS G. MILLER

The Cunard Steam-Ship Company Limited recently announced the appointment of Thomas G. Miller as General Passenger Manager in Canada effective Jan. 1. Mr. Miller, who was Passenger Traffic Manager in Canada since September, 1953, succeeds Arthur Randles, C.B.E., M.S.M., who retired Dec. 31.

Mr. Miller, who was born in Birkenhead, England, in 1898, joined the Cunard Line in Liverpool in 1914. During the First World War he served with the Royal Navy Dover Patrol, minesweeping flotilla, and he returned to the Cunard head office in Liverpool in 1919. In 1923, he was transferred to the Cunard Line's office in Riga, Latvia.

Mr. Miller came to Canada in 1924 and served in the company's Winnipeg office for ten years during which period he was made Assistant Western Manager. In 1934 he was transferred to Toronto as Assistant Ontario Passenger Manager and in 1948 he was named Ontario Passenger Manager. During the Second World War Mr. Miller's duties with the Cunard Line were in Halifax, N.S., where he was engaged in berthing operations for troops.

The Cunard Line announced also the appointment of George McGonigal as Passenger Traffic Manager in Canada to succeed Mr. Miller. Mr. McGonigal, who joined the passenger department of the Cunard Line in Montreal in May, 1927, served with the Foreign Exchange Control Board as an enforcement officer from the outbreak of war in 1939 until June, 1943, when he became personal assistant to the Director of Merchant Seamen, Ottawa. He served in that capacity until June, 1945, when he re-joined the Cunard Line in Montreal.

In April, 1950, Mr. McGonigal was made assistant to the Passenger Traffic Manager and in December, 1953, he was appointed Assistant Passenger Traffic Manager. Mr. McGonigal, who lives in the Town of Mount Royal, is the Cunard Line's representative of the Quebec Chapter of the American Society of Travel Agents.

Columbia Plan Chances Rise

(Continued from page 11)

west it means the difference between economic progress or stagnation."

Says Senator Neuberger, in a formal report to the Senate Interior Committee, which is soon expected to start hearings on the Columbia problem: "Governor Jordan's emphasis on steam-powered generating plants as a central feature of American plans for the future electric power supply of the Pacific Northwest is hardly designed to contribute to early agreement on Canadian storage.

"On the one hand it is likely to encourage the Canadians in their extreme assessment of the value of upstream storage as equivalent to the cost of steam generation.

"On the other hand, it must tend to convince the Canadians that U.S. cares little about the storage Canada can offer on the Upper Columbia and that they had better plan for its best possib' utilization by diversion within Canada."

Political Overtones

2. The Senator also claims, in what is clearly a partisan political move, that Mr. Jordan is not the right person to represent the United States in these negotiations with Canada. He is attacked, primarily, for having "profound bias and prejudice on issues of federal power policy." This is because Mr. Jordan has been an earnest advocate of the Republican program of private power development. Senator Neuberger is foremost spokesman for the Democratic policy of public power.

Urging that the Senate Committee should hold public hearings—a request which is likely to be granted—Senator Neuberger wants the Congress to get the negotiations with Canada transferred from Governor Jordan's responsibility to "the executive policy-making departments."

He draws a contrast — very much in Canada's favor—between Canadian and U.S. policy making; and he was very impressed on a tour of B.C. last fall with the "most alert and informed public interest" among Canadians. He spoke with Canadians of all parties, and reports to the Committee: "Some expressed misgivings about the participation of any U.S. investment, whether public or private, in the development of Canadian basic natural resources. But all dealt with the problem in terms of concrete, practical alternatives to the agreed common goal of maximum economic development — not one placed partisan political slogans ahead of this common goal."

On the government level, this is what the Senator found:

"The Canadian section of the International Joint Commission is headed by General A. G. L. McNaughton. General McNaughton is an engineer, as well as a celebrated Canadian military hero of both world wars. Although under Canada's parliamentary government he is not himself a member of the Government, there is no doubt that he works closely with the appropriate Cabinet ministers, that his advice carries great weight, and that, in general, he represents the position of his Government toward the Columbia River problem."

Change In Views

This development of the Washington view is remarkably striking to this reporter.

Two years ago General McNaughton's assertions of Canadian rights had produced only irritation in U.S. Government circles. "If only it weren't for McNaughton," I was told at the time, "we could quickly get ahe d."

Even a year ago, General McNaughton's claims for Canada were being described as "utterly unrealistic," and he was being blamed for "Canadian intransigeance" as though he were a single obstinate figure standing in the way of U.S. plans.

Obviously things are changing here. The repeated, outspoken assertion of Canadian rights by General McNaughton is still not relished. But it is beginning to be understood that he has behind him both the Government and most of the Canadian people—if not always in the precise form of his presentations, at least in the substance of his case.

It is a very long time since any Canadian spokesman has been as b' nt in maintaining Canadian rights against the U.S. as General McNaughton has been. He has never bothered with the usual blanket of smooth clichés. Some Canadians, as well as Americans, have deplored this outspokenness. But there is no doubt, on today's evidence in this capital, that it has had the desired effect.

Two years ago—even a year ago—it was the Canadian general who was being accused of embittering relations by taking a more extreme position than his Government.

Today it is the U.S. governor who is being attacked for failing to reach a fair and mutually beneficial settlement with Canada, represented by the same General McNaughton.

This may be progress of a sort.

ANNOUNCEMENT

Four New Royal Bank Directors Elected

F. M. COVERT — J. A. FULLER — W. C. RILEY — J. R. WHITE

F. M. COVERT, O.B.E., D.F.C., Q.C. of Halifax, J. A. FULLER of Montreal, W. CULVER RILEY of Winnipeg and J. R. WHITE of Toronto whose election to the Board of Directors of The Royal Bank of Canada has been announced. Mr. Covert is a member of the law firm of Stewart, Smith, MacKeen, Covert, Rogers, Sperry and Cowan, and a Director of several prominent Maritimes concerns. Mr. Fuller is President and a Director of the Shawinigan Water and Power Company, Quebec Power Co., and St. Maurice Power Corp. Mr. Riley is President and a Director of the Canadian Fire Insurance Company and Affiliated Companies and a Director of the Great West Life Assurance Co. Mr. White is President and a Director of Imperial Oil Limited.

$40 Million Lignite Plant For Sask. Power Demands

From Our Own Correspondent

REGINA—Saskatchewan Power Corp. plans another big step to keep power supplies abreast of mounting demand.

Expected to start building shortly is a $40 million steam electric plant at Estevan, on the fringe of huge lignite fields.

Scheduled for completion in 1965, the plant will cost $40 millions, states David Cass-Beggs, general manager of Saskatchewan Power. It will have capacity of 264,000 kilowatts.

Mr. Cass-Beggs announced late in 1955 plans for a similar plant at Saskatoon. Both are needed, he said, to keep up with increasing demands for power in Saskatchewan, which are doubling yearly.

The Estevan plant will be located just 10 miles from the U.S. boundary and will use lignite as fuel for four 66,000 kw turbo-generating units.

The final decision to proceed awaits International Joint Commission approval to use Souris river water for cooling purposes.

A wholly-owned Canadian subsidiary of a British firm, Ewbank & Partners (Canada) Ltd., has been named consulting engineers for the initial phase of the project, estimated to cost $14 millions.

This is believed to be the largest contract of its kind awarded a British firm since the Second World War and the first Canadian contract for the engineering of a thermal electric plant awarded a British company.

The first 66,000 kw unit will be installed and ready for use by the end of 1958, or early 1959, it is believed.

Sports Cars Help Sell Clothes

Scattering of some $100,000 worth of sports cars through its tw Toronto stores paid off at the sales counter for The T. Eaton Co. this week.

The promotion, featuring cars such as Mercedes-Benzes, MGs Austin Healeys, Cadillac Eldorados and Thunderbirds, was tied in with men's and women's clothing. The cars were parked on three floors in the downtown store and on the 7th floor at the midtown store and flanked by models and mannequins wearing various lines of warm and casual clothing. Several display windows were also decked out with the car-clothing combination.

Eaton's officials said more than 9,000 persons filed through the display areas during the first two days of the showing and "highly satisfactory sales" have been chalked up.

'Peg Transit Has 1954-5 Net Loss

From Our Own Correspondent

WINNIPEG — Fare increases last July 10 helped revenues of the Greater Winnipeg Transit Commission but not enough to avert an operating loss for its fiscal year which ended Oct. 31.

For the 12-month period the Commission reported a loss of $297,584. Operating revenues were $7,238,358. Expenses including taxes, interest, cost of track removal and other outlays were $7,535,942. The operating loss for the previous year ending Oct. 31, 1954, was $122,605.

The loss in both years is borne by the 12 municipalities of Greater Winnipeg whose mass transportation is provided by the Commission, 65% by the city of Winnipeg, the 35% balance by the suburbs. Part of it the municipalities get back, in proceeds of a seat mile tax of $226,331, vehicle taxes, the total of which is shared by the municipalities in the same 65%-35% ratio. In addition Winnipeg gets approximately $80,000 tax on a fixed assessment of Commission properties, which is canceled for 1956.

Fares were increased last July 10 from a straight 10c fare to two for 25c. Chairman of the Commission, W. H. Carter estimated the increase might result in a 9½% drop in passengers but the actual loss was only 5.4%. For the whole year the number of passengers carried was 3.8% less than the year before but over-all revenues were up. From the time fare increases went into effect until Oct. 31 passenger revenue was $228,519 more than for the comparable period in 1954.

Company Reports

Finance

CROWN TRUST CO. net profit for the year ended Dec. 31, 1955, was $225,048, up 27.5% over profit of $176,455 in the previous fiscal year.

The year just concluded was the best in the company's history, President John A. McDougald says. Assets under administration as at Dec. 31 stood at $162,137,432, an increase of nearly $12 millions over 1954.

Company's balance sheet gives effect to a stock-split approved at the last annual meeting dividing each former $100 par share into 10 $10 par shares. During the year 23,250 authorized but unissued shares were offered to shareholders at $15 a share and were fully subscribed. This subscription added $232,500 to the capital account and $116,250 to the reserve fund. Annual dividend rate was increased from 5% to 6%.

At annual and special general meetings to be held Feb. 3, shareholders will be asked to approve an increase in company's authorized capital from 150,000 to 500,000 shares.

	1955 $	1954 $
Liab. to public, etc.*	30,626,812	28,063,637
Sh'holders equity	3,085,863	2,448,541
*Secured by:		
Mtges.	17,845,823	15,091,237
Office premises	450,000	450,000
Liquid assets♦	15,416,852	14,970,941
Total	33,712,675	30,512,178
♦Includes bonds and stocks.		
Estates account	128,424,757	119,723,738
Net profit	225,084	176,455
Earned per share‡	$1.50	$1.39
Paid	0.60	0.50

‡Based on $10 par stock.

Cold Hits Fraser Fruit Farmers

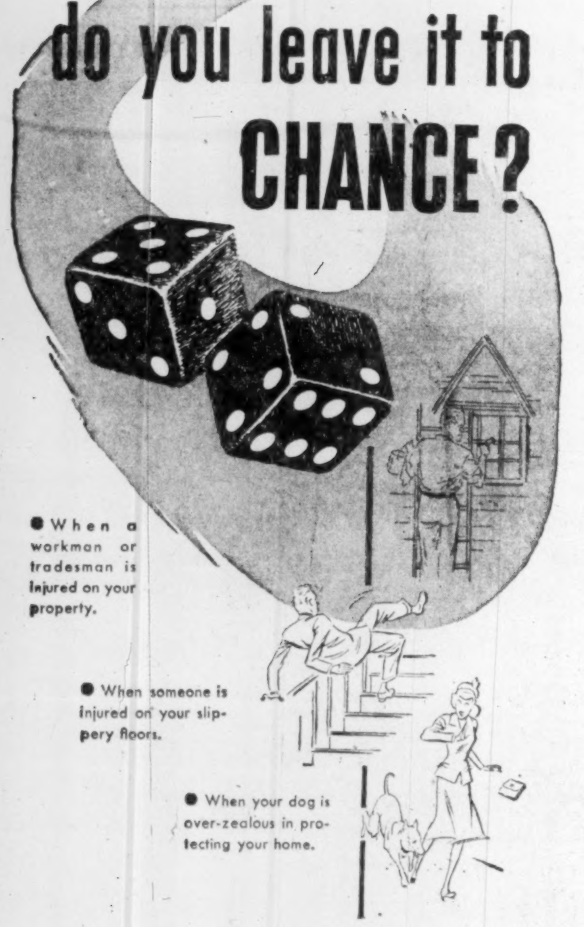
From Our Own Correspondent

VANCOUVER — Small fruit farmers in British Columbia's lush Fraser Valley have virtually been wiped out by recent cold spells with losses averaging up to 80%.

Value of berry plants destroyed is estimated at more than $1 million.

The Provincial Government has turned down an appeal for financial aid.

do you leave it to CHANCE?



Or have you adequate insurance protection against these contingencies?

Comprehensive Personal Liability Insurance affords effective protection against financial loss from such causes.

Consult any Agent of "The British America" for full particulars.

A.D. 1833 BRITISH AMERICA ASSURANCE COMPANY

Incorporated in Canada in 1833

THE BRITISH AMERICA
ASSURANCE COMPANY
HEAD OFFICE—TORONTO

FIRE • MARINE • AUTOMOBILE • CASUALTY • AVIATION

Advertisement prepared by ALBERT JARVIS LIMITED
Ad. No. BA-539F

Inco Metals at work in Canada

Copper is one of 14 different elements obtained from Inco ores. Inco produces over 250,000,000 pounds of copper a year. More than half of this copper goes to Canadian manufacturers. Rainspouts and hundreds of other copper products are made in Canada from Inco copper. Copper rainspouts like this one usually last longer than the buildings they are installed on.

Here's how rainspouts made from INCO COPPER help provide jobs for thousands of Canadians

Jobs are created by making the things people want. Here's how Inco copper helps provide jobs for thousands of Canadians:

1. At Inco, Canadian workmen mine the ore. Then they concentrate and smelt the ore, finally producing refined copper as cakes, cathodes and wire bar. About 18,000 men and women are employed by Inco in Canada.
2. Canadian manufacturers buy refined copper from Inco and roll it into sheets and rod. Several thousand people are employed by these companies.
3. Then from the copper sheets, workmen in Canadian sheet metal companies fashion copper rainspouts like this one.
4. Canadian contractors, employing Canadian workmen, install these rainspouts on Canadian homes.

From the ore to the ultimate consumer's product, hundreds of items like this rainspout are made from *Inco copper that never leaves Canada.*

Write for your free copy of the illustrated booklet, "The Romance of Nickel".

INCO NICKEL TRADE MARK

THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED • 25 KING STREET WEST, TORONTO

CUSTOMS—EXCISE
CONSULTANT
RATES • VALUES • DRAWBACKS
DUMPING DUTIES, ETC.
F. WALTER PERKIN
261 Somerset St. West, Ottawa 4, Ont.
Telephone CEntral 5-5629

Where Mrs. Consumer Fails Business

She Is Too Gullible for Dishonest and Gimmick Selling

The dishonest and misleading fringe in advertising is on the uprise again, Claude Root, president, Association of Canadian Better Business Bureaux, told the Quebec English Branch of the Canadian Association of Consumers in Montreal this week. He said the consumer, as well as some advertisers, had shortcomings in not thoroughly understanding how they are being conned. He invited the ladies to join with the B.B.B. in its constant check on advertising copy. Here's a digest of what he said:

By CLAUDE ROOT

About 40 years ago (1911) the first steps in a crusade for truth in advertising were taken. Voluntary committees eventually grew into Better Business Bureaux, a name dreamed up in 1916. The movement spilled over into Canada in 1928 when the Montreal Bureau was founded. The impetus of those early campaigns in the days of the cracker-barrel and the pot-bellied stove has carried throughout the intervening years until quite recently. Now unfortunately, another "purge" seems imperative, and it is appropriate that the B.B.B. be delegated to spear-head it.

The old-timers confined most of their crooked promotions to the field of quackery and worthless securities, and there were also real estate frauds, and a few others. But of course the dollar-volume involved at that time would today be "peanuts" by comparison, and this fact alone gives cause for concern.

This year in Canada, advertising budgets will account for at least $300 millions. That's in good tangible hard cash, but even if only 10% of it will not adequately disclose facts to consumers, the result will be an irrevocable loss of $30 millions to the Canadian economy.

You may have sensed that even in certain fields of large-scale national advertising of products such as detergents, automobiles, appliances, pharmaceuticals, breakfast foods and tobacco, the reader is fast losing credence in the claims advertised, and must once more depend upon his own discrimination in making a choice, as his forbears had to do two or three generations ago when modern advertising was in its infancy . . . by taste, touch, smell, feel and first-hand practical comparative tests. That is advertising in reverse.

Hence the rather distressing situation in which we find ourselves about to complete a full cycle in the use of one of the most valuable and potent of business weapons. If you doubt it, here are some of those abhorred statistics to bear out the argument. During the course of 1,000 selective interviews with men and women throughout the United States, the question was asked "Do you or do you not generally accept as truthful, advertising in newspapers, magazines, radio and TV?" The findings were based on an average of the answers concerning each specific medium. Fifty-nine per cent answered in the affirmative but the remaining forty-one per cent said "No." Forty-one per cent is a dangerously high vote of non-confidence.

Apples in Barrels

If you were conducting your own campaign as an association, the first line of defense, as always, would be the leading newspapers, who are in the enviable position of sole judge as to the acceptability of advertising copy, and who in the interests of readers may summarily refuse to print misleading copy in their columns. A few papers are sometimes reluctant to constitute themselves a final authority in this respect, but their hand would be greatly strengthened by consumer opinion. The same applies to radio and TV stations. Equally important is the co-operation of advertising agencies. No reputable agency, and they are in the vast majority, will deliberately countenance misrepresentation, but will adhere to sound ethical practice in the joint interests of client and consumer.

However, in the eyes of that same consumer, when misled by inaccurate claims of the few irresponsible "hucksters," all advertising and all business is "tarred with the same brush." A consumer once exploited has the memory of an elephant, and inevitably appraises the advertising copy of a business concern as the outward manifestation of its whole sales promotion policy.

So the "smart alec" who juggles with ambiguous terms has no proper niche in the advertising fraternity. No substitute yet exists for straightforward scrupulous disclosure of facts, and never will. You can only fool some of the people some of the time.

A handful of mountebank types persist in the apparent belief that clients can be drawn from an unending parade of gullible victims commonly known as suckers . . . one born every minute. They fail to realize that our modern consumer is more analytical than ever before. Sometimes even the truth is not sufficient if stated in a manner which would admit of misinterpretation.

Let's narrow the business field to the retailer for a moment, as it is he who is on the firing line and must eventually stand or fall as a result of consumer esteem or disfavor. It is no empty phrase that "Public Confidence Counts Most." To merit the confidence of his customers a merchant must observe certain ethics or suffer elimination. He cannot long place the blame for faulty quality, discourteous and inefficient service or other causes for complaint upon the shoulders of manufacturers and suppliers. It is up to him to discover and remove the causes for complaint, instead of resorting to the constant use of alibis about current conditions and so on. It is not even enough that he attend promptly to the adjustment of consumer complaints, especially if such complaints are numerous. Again, he must keep trying to eradicate the sources from which complaints spring.

The Better Business Bureau has abandoned the old slogan that the "customer is always right." Often she is neither right — nor even fair nor honest.

Where Consumer Errs

She frequently believes she has a legal right to "change her mind" after purchasing something, and feels that she can demand a refund of her deposit on an exchange. She doesn't realize that such an adjustment depends upon individual store policy and that she should do her shopping first.

She sometimes signs sales contracts without reading or understanding them. She may even sign in blank, relying on verbal presentations or guarantees not included in the written contract. She is hazy on the meaning of contracts and oral guarantees. She also does not realize that a merchant may sell the contract to a third party without even informing her.

She still fails to realize that there are no official price ceilings or floors governing most commodities, and that she can be "overcharged" without recourse. Again, she should do her shopping first, not after she finds that she may have been able to buy cheaper elsewhere.

She sometimes believes she can "save" by purchasing at wholesale, failing to comprehend that no merchant can do a retail business at "wholesale" prices.

She may be vulnerable to appeals to her vanity, sympathy or greed, or that she has been "selected" for so-called special offers for her own personal advantage.

She does not insist on estimates in writing before authorizing work contracts which may prove unreasonable. Later she may regret this.

Before placing orders or making agreements, she often fails to check the reputation of promoters or other agents.

She does not obtain adequate advice, legal and otherwise, before embarking on a major purchase such as a home, car, etc.

She does not always recognize "bait" tactics in selling and advertising, used by unscrupulous dealers who will then try to switch her to a more expensive article.

She still falls for so-called "Free" offers again and again.

She reads and believes offers such as "Lowest Prices in Town," "Best Deal in Town" or "Nobody but nobody undersells" instead of making her own comparison. No dealer can accurately make such claims.

She does not distinguish between interest, finance and carrying charges, and will sign time-contracts in which insurance and other charges are lumped together with finance charges in one unitemized total. She gets the bad news later.

She has not learned to differentiate between investing and speculating when buying securities, and does not seek prior advice or counsel.

She does not read advertisements carefully, especially claims in small type and asterisks which may qualify the broad impression of the ad, which would otherwise mislead her.

She does not heed the well-known slogan of the Better Business Bureau, "Read before you Sign" and "Before you invest — Investigate."

Most authorities doubt that the present wave of advertising gimmicks can be terminated spontaneously without outside remedial measures. Hoping and wishful thinking are not enough.

Only the voice of the consumer raised in protest will be heeded by advertisers and advertising media especially when brought to the cold realization that this voice emanates from the final and sole jury sitting in judgment upon their business practices.

You may co-operate by delegating a small consumer panel to acquaint itself with Better Business methods in scanning advertising copy.

Upper Canada College
TORONTO, CANADA
Boarding and Day School for Boys
Grades 2-13
(Non-denominational)
SCHOLARSHIPS
Valued from $650 to $1500 per annum for boys entering Grades VI-XIII
Applications to be received on or before March 16, 1956
Qualifying Examinations in April for Entrance in September, 1956
For full particulars apply to
The Rev. C. W. Sowby, M.A., D.D., Principal,
Upper Canada College, Toronto 7, Canada

93 out of 100 businesses visited by fire found themselves seriously handicapped or out-of-business because records housed in non-insulated steel files and desks were destroyed.

All had fire insurance but after the fire they found — (1) Insurance money can't replace burned records, (2) Nearly every record is needed to conduct business.

To provide 24-hour fire protection for every record, Shaw-Walker now makes the Fire-File in 46 models and sizes.

Fire-Files have saved records in hundreds of fires, some up to 12 hours duration. For more information about this economical fire protection, ask your nearest OFAC member.

O.F.A.C. OFFICE FURNITURE ASSOCIATES OF CANADA INC.
GRAND & TOY LIMITED, TORONTO • HAMILTON
HAY STATIONERY CO. LTD., LONDON
R. R. COLPITTS & SON LTD., MONCTON
DOMINION OFFICE SUPPLY CO. LTD., WINDSOR
OFFICE EQUIPMENT CO. OF CANADA LTD., MONTREAL
H. H. POPHAM & CO. LTD., OTTAWA and KINGSTON
THE WILLSON STATIONERY CO. LTD., THROUGHOUT THE WEST

SERVICE IS OUR BUSINESS

There is a good reason why many of the country's leading corporations, in all fields of commerce and industry, buy their insurance through Johnson & Higgins. The reason is the *scope and variety of insurance services* we offer—services such as few insurance brokers in the world can provide. At J&H, we place at your company's disposal. . . .

Experts in every field of insurance . . . to help you find the most comprehensive and economical coverage in every line.

A staff of safety and fire protection engineers . . . to suggest the elimination of hazards wherever possible and, in so doing, reduce your insurance costs.

Fully-equipped claims departments . . . to assist in the adjustment and collection of claims.

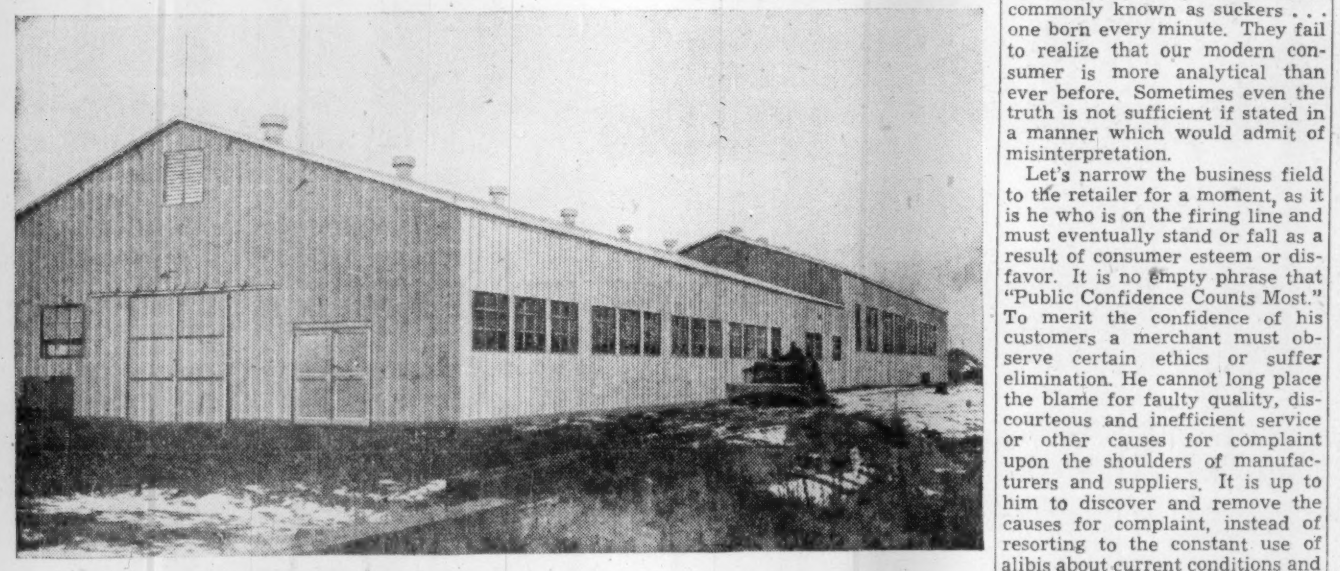
Insurance rate analysts . . . to maintain continual supervision of your insurance costs.

It costs no more to get the *best* insurance brokerage service. To learn more about how we can help you plan and purchase your business insurance, write or phone—a J&H representative will call at your convenience.

JOHNSON & HIGGINS
(Canada) Limited
INSURANCE BROKERS—AVERAGE ADJUSTERS
MONTREAL • TORONTO • WINNIPEG • VANCOUVER

New York • Philadelphia • Pittsburgh • Buffalo • Cleveland Detroit • Chicago • Seattle • San Francisco • Los Angeles Wilmington • Minneapolis • Havana • London

HUMIDIFIERS
• MINIMIZE COLDS
• GIVE MORE COMFORT
• PROTECT FURNITURE
All Types Available
JENKINSON & COMPANY
LIMITED
1025 Weston Road
RO. 6-3497 TORONTO 9, ONT.



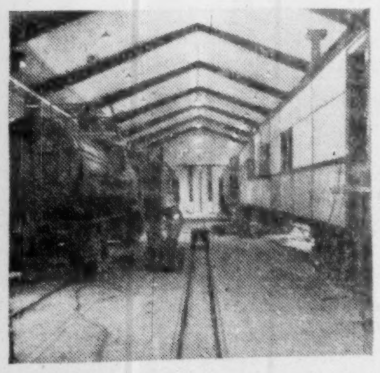
This BUTLER steel building is a
15,000 sq. ft. Super-Service Station

Northern Alberta Railways, Edmonton, Alberta, has joined a 50 x 140-foot Butler steel building to another one, 50 x 160, to make a king-size "super-service station" for its railroad-cars.

This is another example of the adaptability and flexibility of Butler buildings to fit the *exact* needs of specific industries and businesses.

Northern Alberta Railways started out with one 50 x 160-foot Butler building, then a year later added a 50 x 140-foot building. In addition to handling six railroad cars at a time, the 15,000 square-foot area also houses shop facilities for welding, coach cleaning, carpentry work, battery charging, and a workers' lunchroom. A third Butler building, 28 x 120 feet, not shown, is used as a railroad car and equipment paint shop.

Like so many other users, Northern Alberta Railways has found that Butler buildings, with rigid, clear-span frames, make every cubic foot of interior usable. Butler buildings are low in cost, mass-produced to high quality standards. Bolted assembly makes erection quick and easy. Bolted apron walls make expansion or alteration economical. These buildings require little care, are fire and storm-safe.



Butler rigid steel framing is unsurpassed for strength and durability per pound of steel. Here, 18-foot-high walls, with free space clear to the roof, provide ample headroom for any railroad car servicing and maintenance job. Insulated for year 'round comfort.

Call your Butler Builder. He'll show you the quality features that make Butler buildings profitable working tools for business and industry. He'll show you Butler buildings at work in your area. There is a Builder near you. See list below.

Alberta
Steel Building Sales & Service, Calgary
Permasteel (Alberta) Ltd., Edmonton
Holte Norlund & Chisholm, Lethbridge
Oliver Chemical Co. Lethbridge Ltd., Lethbridge

Manitoba
Frank Lawson & Sons Ltd., Brandon
Midwest Mining Supplies Limited, Flin Flon
Steel Structures (Western) Ltd., Winnipeg

Newfoundland
Provincial Constructors Ltd., Corner Brook

New Brunswick
H. M. Lennox Ltd., Moncton

Nova Scotia
Pre-Engineered Supplies Limited, Halifax

Ontario
Barnett-McQueen Co., Ltd., Fort William
The George Taylor Hardware Ltd., New Liskeard and North Bay
Steel Building Sales and Supply Ltd., Toronto

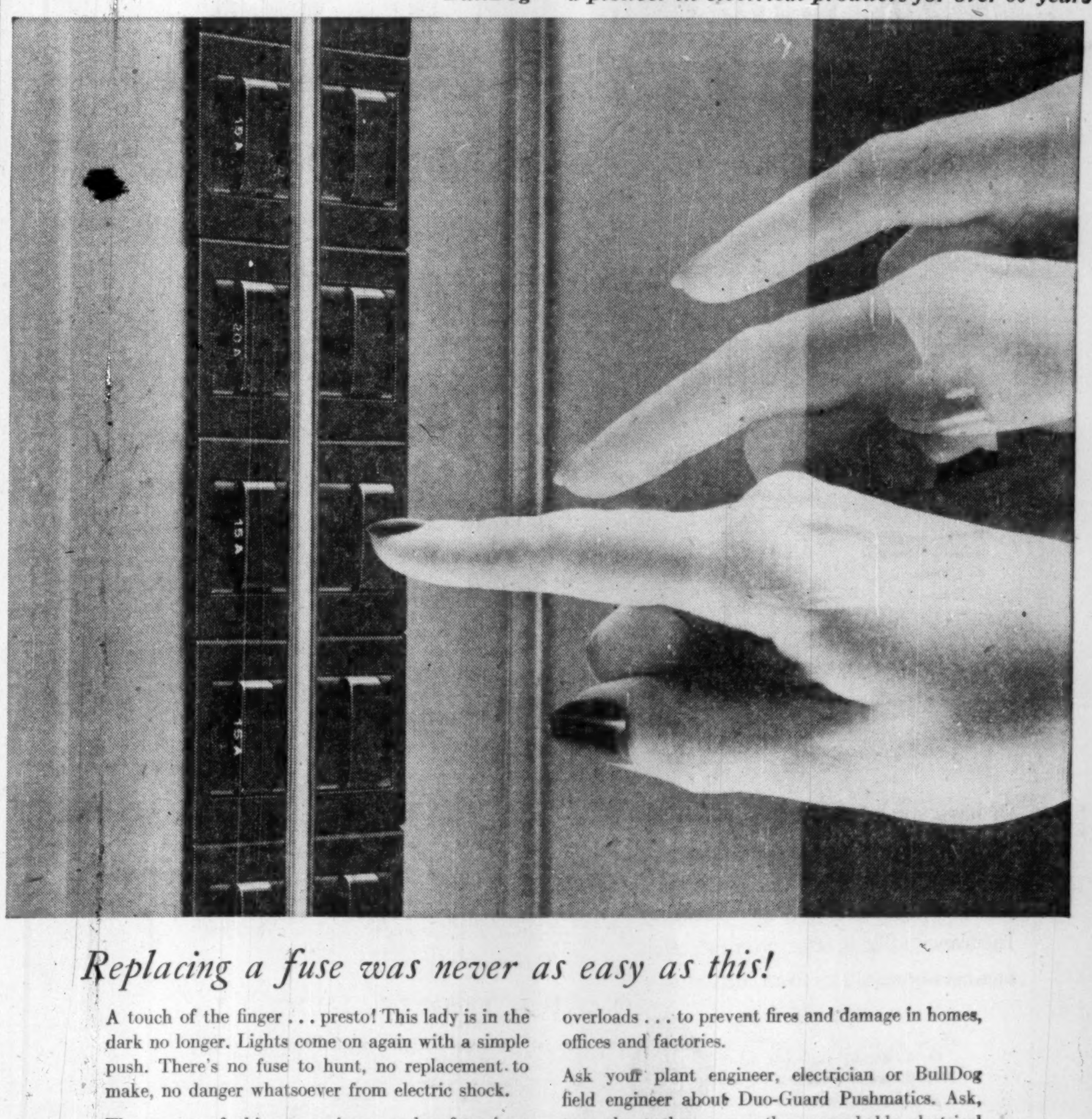
Quebec
Pre-Engineered Steel Buildings, Montreal and Quebec

Saskatchewan
Lavold's Ltd., Lloydminster
Western Tractor & Equipment Co., Ltd., Regina & Saskatoon

BUTLER STEEL PRODUCTS
BUTLER MANUFACTURING COMPANY (CANADA), LTD.
Queen Elizabeth Highway at Walker's Line
P. O. Box 506, Burlington, Ontario, Canada
Oil Equipment • Steel Buildings • Farm Equipment
Dry Cleaners Equipment • Outdoor Advertising Equipment • Special Products

Call your nearest BUTLER Builder now... get the full Butler story before you build!

BullDog — a pioneer in electrical products for over 50 years



Replacing a fuse was never as easy as this!

A touch of the finger . . . presto! This lady is in the dark no longer. Lights come on again with a simple push. There's no fuse to hunt, no replacement to make, no danger whatsoever from electric shock.

The secret of this convenience and safety is a BullDog Duo-Guard Pushmatic — the best watchdog any electrical circuit ever had.

Duo-Guard Pushmatics provide double automatic protection, safeguarding appliance cords as well as branch circuit wiring. Thus, they are used by millions *instead* of fuses to guard against "shorts" and overloads . . . to prevent fires and damage in homes, offices and factories.

Ask your plant engineer, electrician or BullDog field engineer about Duo-Guard Pushmatics. Ask, too, about the many other remarkable electrical products that wear the famous BullDog trademark. From safety switches to complete distribution systems, you'll find BullDog way ahead . . . in design, in quality, in value.

Write BullDog Electric Products Company (Canada) Limited, 80 Clayson Road, Toronto 15, Ontario.

IF IT'S NEW... IF IT'S DIFFERENT... IF IT'S BETTER... IT'S BULLDOG
ELECTRIC PRODUCTS COMPANY (CANADA) LIMITED
Head Office and Factory • TORONTO
Montreal • Winnipeg • Regina • Calgary • Vancouver

MANAGED INVESTMENT

Compton Account Value Climbs $1,100 In Month

In the past month Compton's account has climbed to the second highest peak in its 11-year history. At Jan. 15 it stood at $33,100 compared to $32,000 a month earlier, and the all-time record of $33,600 at Sept. 15.

Compton's Manager Says:

During the month ended Jan. 15, the market value of Compton's account rose by more than $1,000 to almost $33,100. Only once before, on Sept. 15 last, has Compton's account exceeded this amount.

Over the past few weeks, the Canadian stock markets have been a little stronger than the New York market. From Dec. 15 to Jan. 12 the DBS investors' index rose by slightly more than 2%, from 246.3 to 251.6. In the same interval, the Dow-Jones industrials index of the New York market rose only by 0.2%, from 480.7 to 481.8.

During the past month, Compton has received investment income of $242.50. Under the new management agreement, which came into effect in December, no deductions for expenses or personal use will be made until March of this year. The balance in his cash account now stands at $304.95.

Compton's Account Now Stands:

Common Stocks

No. of shares		Cost per share	Market value Jan. 13
100	Abitibi	$12.86	$35.875
35	Aluminium	49.48	104.625
25	C.P.R.	24.81	34.50
100	Powell River	24.51	58.00
35	Shawinigan	70.43	69.25
35	Hiram Walker	47.73	72.875
	Mining Stocks — Base Metals		
25	Cons. Smelters	17.00	37.00
60	Hudson Bay	50.53	65.50
100	Internat. Nickel	49.32	82.875
50	Waite Amulet	16.05	15.25

SUMMARY

	Agg. book value	Mkt. value Jan. 13	Prosp. ann. inc.
Com. stks.	$10,235	$18,886	$647
Base met. stks.	9,191	13,905	789
Cash	305	305	....
	$19,731	$33,096	$1,436

Current market value of fund	$33,095
Prospective annual income	1,436
Av. yield on orig. $10,000	14.36%
Av. yield on curr. mkt. value	4.34%

B.A. Oil Plans New $4 Million Cat Reformer

British American Oil plans construction of a $4 million catalytic reforming unit at its Clarkson, Ont., refinery.

Using platinum as a catalyst, the new cat reformer will process about 10,000 bbls a day of straight-run naphtha, which will be used as a high-octane blending agent in B-A gasolines. To be built by Lummus Co. Canada the unit is scheduled for completion early in 1957.

The Clarkson catalytic reformer is the third such unit to be built by British American in the past two years in a continuing program to raise still further the octane ratings of its gasolines. A 13,000-barrell catalytic reforming unit commences operation at the company's Montreal East refinery this month and a similar unit was added to B-A's Calgary refinery last year.

An $8 million catalytic cracking unit was added to Clarkson refinery in 1954. Present daily crude oil throughput capacity is 21,500 barrels.

Haiti Hunts More Dollars With Trade Mission Here

MONTREAL (Staff) — The Republic of Haiti is launching a program to improve its trade position with Canada.

At the government level, an official trade mission will arrive in Ottawa Jan. 23 for a three-day parley with government officials on trade problems. It will then travel to Quebec City, Montreal and Toronto to meet provincial leaders and businessmen and show handicrafts and commodities Haiti has for export.

The mission has been also instructed to explore every avenue to obtaining a larger share of the Canadian market. Volume of trade annually between the two countries amounts to about $5 millions. Canada exports $2 in merchandise to Haiti for every $1 imported.

In volume of sales in Haiti, Canadian exports are second only to the U. S. and consist chiefly of fish, flour, milk and forest products. Canada imports from the Republic chiefly coffee, sisal, cocoa, molasses, sugar, bananas, rum, essential oils and handicrafts.

Seek More Tourists

The mission will also try to attract more Canadian tourists to Haiti which claims to be unique among the 20 Latin-American Republics as the only nation with a French culture and an African folklore. Among other things, the mission will negotiate with airline officials in Canada to try to establish a service from Canada to Port-au-Prince, the capital.

The mission is headed by Under-Secretary of Commerce Alain Turnier and includes G. Laforet, assistant to the secretary and tariff consultant; Miss M. Cassagnol, director of tourism; D. Bellande, president of the Chamber of Commerce; C. August, former secretary of commerce; J. Gardere, director of La Distillerie Rhum Barbaucourt; A. Reiher, director of Preetzman Aggerholm & Co.; H. T. Burgers, president of S. A. E. & G. Martijn; Mrs. Paul Paquin, handicraft merchant and G. Tenel, government representative of the handicraft industry.

These issues having been sold this advertisement appears as a matter of record only.

LORD SIMCOE HOTEL LIMITED

$4,000,000

5½% First Mortgage Sinking Fund Bonds
To mature November 1, 1975
Price: 100 plus accrued interest

$5,000,000

5½% General Mortgage Sinking Fund Bonds
To mature November 1, 1975

and

500,000

Class A $1.00 Par Value Shares
Price per unit: $1000 and accrued bond interest

DAWSON, HANNAFORD LIMITED
MONTREAL

FRY & COMPANY LIMITED
TORONTO

R. D. STEERS AND COMPANY
OTTAWA

Ford Common Sold to Public

Both the bigges corporate equity financing and the largest underwriting transaction in history took place this week when 10.2 million Ford Motor Company, $5 par value common shares were sold to the public.

The shares sold for $64.50 (U. S. funds) each and brought the Ford Foundation $642.6 millions after underwriters' commissions of $5.3 millions. Demand was strong and the shares climbed to a $5 premium, at about $69.50.

The stock was distributed in Canada, the U. S. and 20 countries throughout the world by 1,200 selected securities dealers.

At the company's request, 1,500,000 shares (about 15% of the total) are being sold to some 8,600 Ford car dealers and 3,800 salaried employees of the company. Underwriting managers are reserving nearly one million shares for sale directly to institutions, insurance companies and charitable and educational organizations.

Ford Motor Co. has arranged to list the stock on the New York, and Detroit Stock Exchanges with listing on the Midwest, Los Angeles, San Francisco and possible other exchanges to follow.

The stock, which represents about 22% of the Ford Foundation's holdings of Ford Motor Co. stock (The Post, Nov. 12), is being sold the public in order to permit the foundation to diversify its investments.

INTERNATIONAL NICKEL CO., reports 182,904 preferred shares ($100 par value) and 1,867,485 preferred shares ($5 par value) outstanding as at Jan. 3, 1956.

TCA Air Cargo Up 25% in '55

Canadian businessmen continued to increase their use of air cargo shipping.

TCA this week said that it carried 25.2 million lb. of cargo on all its lines in 1955, a 25% increase over 1954. The North American services alone carried 17.5 million lb., an increase of 25%.

What do businessmen ship by air?

TCA said the major commodities handled on domestic routes were hardware, textiles, clothing, machinery, flowers and plants, spare parts, newspapers and magazines.

On the Canada-Europe routes, businessmen shipped mostly aircraft parts, business machines and parts, periodicals, textiles, electrical equipment, watches and watch parts.

BASIC

To plan advertising for your company or your client, it is sound thinking — and profitable thinking — to begin with a *BASIC* medium. That is, a medium with the *greatest number* of desirable characteristics. You will want the maximum coverage possible to reach all segments of your markets. You will seek this at the lowest possible cost. And you will ask, too, that the medium have high consumer acceptance.

Equally important, you want COVERAGE WHERE IT COUNTS — coverage of BOTH major language groups and coverage of the people most able to buy.

Reader's Digest is that *BASIC* medium. Its paid circulation of 900,000 is proof alone of its high acceptance among English *and* French-speaking Canadians alike.

But, more important, its vast audience of over two and three-quarter million readers is concentrated in the middle and upper-economic groups. In the important "A" and "B" groups *alone*, Reader's Digest delivers 300,000 *more* readers than any other printed medium in Canada.

Here is effective COVERAGE WHERE IT COUNTS. Yet the cost of reaching each reader is lower with the Digest than with any other major Canadian publication.

Canada's **BASIC** Advertising Medium

FIRST IN MAGAZINE CIRCULATION

FIRST IN COST EFFICIENCY

FIRST IN COVERAGE WHERE IT COUNTS

The Largest Share of Canada at its Best

900,000 NET PAID CIRCULATION

REAL ESTATE

A CANADA-WIDE MARKETPLACE FOR BUYERS AND SELLERS

- *commercial, industrial buildings and sites*
- *leasebacks* • *rentals* • *management* • *businesses*
- *investment properties* • *development* • *offices*
- *exclusive homes* • *luxury apartments*

Seeks Ottawa Aid For Prairie Roads

From Our Own Correspondent

REGINA—Prairie roadbuilders have taken the lead in a reinvigorated drive by Canada's construction industry to get more federal finance for highways.

Toward the end of a three-day convention here last week end, the Prairie Road Builders Section of the Canadian Construction Association commended Ottawa for extending agreements under the Trans-Canada Highway Act. But they asked for other agreements to deal with other roads of national importance, and to help set up an integrated road system.

And this was after Federal Deputy Minister of Public Works Maj. Gen. H. A. Young had assured them that federal assistance to provincial highways in Canada compares favorably with that in the U. S.

Under the Trans-Canada Highway Act of 1949, Gen. Young said, federal contributions of $12 millions a year had been made. Under a new proposal recently made to the provinces this would be increased to $32 millions.

The Trans-Canada Highway to date had cost $218 millions, of which the Federal Government had paid $73 millions.

Saskatchewan Highways Minister J. T. Douglas told delegates he hoped to lay before the Legislature "the largest and most ambitious highway construction program in the province's history."

It would include a proposed grid system of inter-municipal and main market roads over 11,000 miles. The province was, he said, prepared to pay half the over-all cost if it was approved by the municipalities.

Saskatchewan will complete its share of the Trans-Canada highway by the end of 1956. But, said Douglas, the question that remains unanswered is the extent to which the Federal Government is prepared to assist those provinces completing their share before expiration of the proposed time extension—March, 1961.

The province, he said, is spending more on roads and bridges than it receives under its limited taxing power. He called on Federal Government to make larger contributions out of sales and excise taxes collected by it.

Convention delegates also requested that load weight restrictions on Saskatchewan highways be made uniform with those in Alberta and Manitoba.

BRITISH AMERICAN OIL CO., issued 505 shares during Dec. upon conversion of debentures due Aug. 1, 1961 and 4,560 shares upon conversion of debentures due June 15, 1962. 9,099,999 shares are currently outstanding.

FOR SALE OR LEASE
LEASIDE
21,000 square feet
One storey, brick and steel construction. Sprinklers and railway siding.
Early Possession, Ask for K. J. Sheraton
WOOD, FLEMING & CO. LTD.
Exclusive Agents
Royal Bank Bldg. Real Estate Brokers EM. 4-6161

KEN WILES
One of the Nation's Most Successful Realtors
10 Toronto Offices to Serve You

CHOICE INDUSTRIAL AREA IN REGINA
580 acres at $170.00 per acre. Also, many Commercial sites good for Service Station, Stores or Theatre. For further particulars write to—
CAMPBELL & HALIBURTON (SASK.) LTD.
7 Fidelity Life Building, Regina, Saskatchewan

INDUSTRIAL SITE
Located 7 miles east of City of Edmonton. 315 acres with one mile fronting on paved highway. Electric power 3 sides. Natural gas service available summer 1956. Full Price $185,000. Purchase of smaller parcels considered. Manufacturing plan on lease-back basis may be arranged.
The Canada Permanent Trust Company
10126-100th Street, Edmonton, Alberta

CANADA'S TOP REAL ESTATE SALESMAN BECOMES A PARTNER
Now its
FARLINGER & LANGER LIMITED
formerly A. W. FARLINGER REAL ESTATE LTD.

A. W. Farlinger, **President**, founded A. W. Farlinger Real Estate in 1937.
Peter Langer, **Executive Vice-President**, adds name to firm's masthead.
Mrs. Edith Howitt, **Secretary-Treasurer**, has been 6 years with the firm.

Mr. A. W. Farlinger, President, takes pleasure in announcing the appointment of Peter Langer as a full-fledged partner. For the past two years, Mr. Langer has been Canada's top real estate salesman, averaging $3,000,000 a year in sales. Since 1953, he has been vice-president of A. W. Farlinger Real Estate Ltd. With the firm name now changed to Farlinger and Langer Ltd., he becomes the new company's Executive Vice-President.

William Drummond, **Manager**, Industrial and Commercial Real Estate Department. With company 5 years.
John Rosnack, **Manager**, West end office. Has been with the firm 3 years.
Harvey Shaw, **Manager**, East end office and the Mortgage Department. A 5-year man.
Cliff Stephens, **Manager**, North end office and Residential Land Sales, 2½ years with the firm.

PRESTIGE LOCATION BLOOR STREET WEST OF AVENUE ROAD
APPROXIMATELY 1600 SQUARE FEET MAIN FLOOR FOR RENT
BOX 272, THE FINANCIAL POST, TORONTO, ONT.

THE *Shoreland* CO-OPERATIVE APTS.
HILLSBORO BEACH, FLORIDA
BETWEEN FT. LAUDERDALE AND WEST PALM BEACH ON A1A
THE SHORELAND . . .
Co-operative apartments at world-famed Hillsboro Beach, Florida, offer you the ultimate in oceanside living. With frontage on both the Atlantic and the ever-changing Intracoastal Waterway, this well-planned co-operative has every ingredient needed for leisurely, restful relaxation—free from all maintenance cares.
Shoreland du-ettes, apartments and penthouses are spaciously designed with private patios, large sun decks and balconies with sweeping views—and all are economical investments paying rich rewards in a comfortable, happy home for years to come.
Nothing under the southern sun compares with the new Shoreland. Our colored brochure FP, available on request, will convince you that this is truly the most unusual and luxurious of oceanfront apartments.
OFFERED EXCLUSIVELY BY . . .
SUN REALTY, REALTORS
1746 E. SUNRISE BLVD. FORT LAUDERDALE, FLA.

NEW FACTORIES FOR RENT
Only 40 minutes from downtown Toronto
At Ajax, on super 4 lane highway, modern single story factories for rent. Flexible leasing arrangements provide for every future requirement.
Manufacturers located at Ajax include DuPont of Canada, Dowty Equipment, Permaglass Inc., etc.
For complete details phone or write
SLOUGH ESTATES (CANADA) LTD.
Royal Bank Building, Toronto • EM 3-9033

DO YOU NEED WORKING CAPITAL?
If so, we can sell your properties for cash and you may
Lease Them Back
ON FAVOURABLE TERMS
For full details contact
E. W. GLADSTONE
REALTOR
Member Toronto Real Estate Board
217 Bay St., Suite 606, Toronto
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Three 2900 Sq. Ft. Floors For Rent
•
In Office Building of Large Company
•
Natural Light
Automatic Elevator
•
Downtown Toronto near Queen St. Subway Station and New Parking Garage
A. E. LePAGE
Limited *Realtors*
320 Bay St. EM. 2-1201

INDUSTRIAL BUILDINGS
We do it all
THE WINGOLD PACKAGE PLAN
A complete service designed to provide the finest industrial building at the lowest cost.
- design
- construction
- plant layout
- financing—sale or lease
- site selection

We will be pleased to consult with you on present needs or future plans. Please write or telephone.
WINGOLD CONSTRUCTION COMPANY LIMITED
2559 Eglinton Ave. West, Toronto RO. 7-7571
WRITE TODAY FOR OUR BROCHURE

Available in the Heart of Booming
VANCOUVER, B.C.
6,000 to 20,000 sq. ft. on long-term lease in proposed new building with details to suit tenant, for—
MANUFACTURING or WAREHOUSING
Zoned for heavy industry, private trackage, on approach to deep-sea dock. Corner site on paved thoroughfares, good advertising location.
WHAT ARE YOUR REQUIREMENTS?
Present plans recommend high-clearance single-storey structure about 90 x 90 ft. with two rows of 45 ft. trusses; uniform floor level for car loading, truck loading bays, showroom & office space at intersection; off-street parking—and still room to expand.
There are no more comparative sites within city limits. If interested, wire or airmail for initial exchange of specific information directly with .
ADVERTISER, P.O. Box 703, VANCOUVER, B.C.

CAMSTON LIMITED
2916 Bloor St. W., Toronto
BElmont 3-2151
Write, phone or wire for brochure.
Leaseholds
General Contractors
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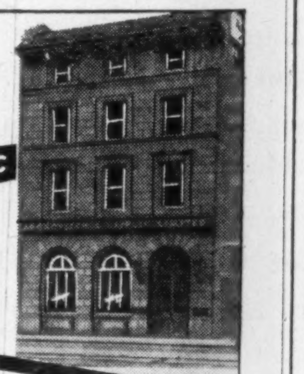
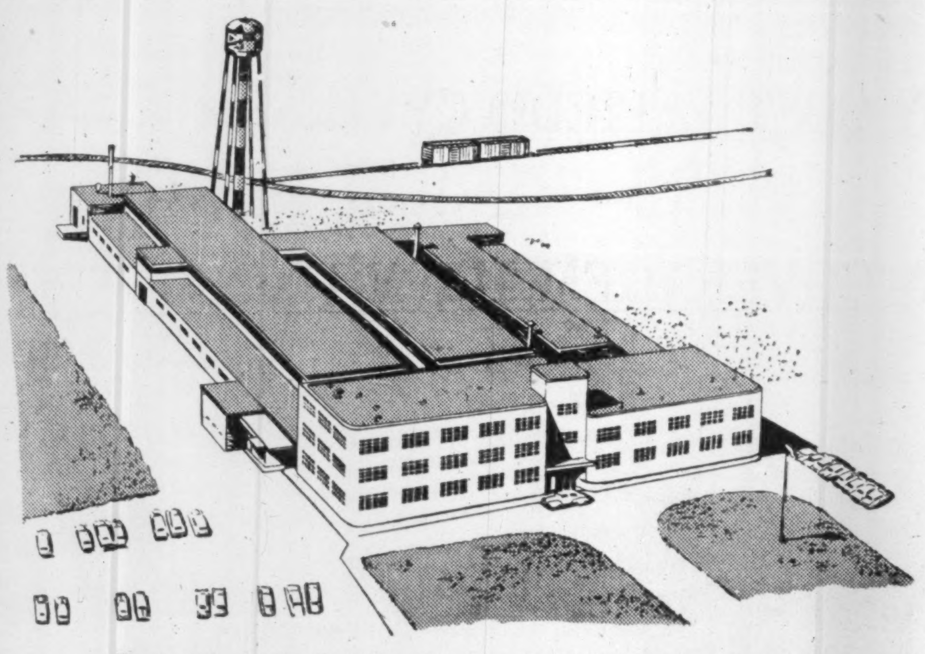
FOR SALE
A MOTOR HOTEL with Outfitter's License
Well established in rapidly growing N. W. Ontario
25 rooms with bath
2 Banquet Halls
Licensed Dining Room
6 acres, well treed, landscaped, on river
Priced to sell — half cash — terms on balance.
Address replies to A. D. Mackie, Box 337, Dryden, Ont.

INDUSTRIAL REALTORS . . . In Western Canada
- We will erect any building to suit your plans, for sale or lease, in Winnipeg or Western Canada.
- Choice sites from which to choose.
- We arrange financing, selling or renting of any commercial, industrial or business property.

A L ARONOVITCH & LEIPSIC LIMITED
A & L BUILDING
FOUR SIXTY MAIN
PHONE 92-3305

When locating in Western Canada, consult A & L, from planning to completion. Accurate advice with knowledge gained from experience in Winnipeg and Western Canada. Enquiries invited.
OUR FIFTIETH YEAR OF SERVICE


Integrated Industrial Buildings For Sale
8400 Decarie Boulevard, Montreal, Que.
just south of new Metropolitan Boulevard
★ Total floor area 105,013 sq. ft. ★ Total land area 288,860 sq. ft.
★ Railway siding ★ Ample parking space
Consisting of 7 units: factory building, office building, fuel oil storage enclosure, water tank valve house, transformer vault, Quonset warehouse.
Equipment installations include: automatic sprinklers, cafeteria, travelling crane, electric hoist, industrial scales, etcetera.
CO-OPERATIVE LISTING
D. W. OGILVIE AND CO. INC.
1010 St. Catherine St. West, Montreal, Que. UN. 6-6751

INDUSTRIAL BUILDINGS for lease, sale or on contract
- We will erect buildings for lease, or on contract, anywhere in Canada.
- We have industrial sites for sale in excellent locations in the Toronto area.
- Financing arranged if required.
- Your present building accepted on a new building.
- Our staff of architects and engineers can design your building, provide a complete plant lay-out and engineer your entire material handling and production control.

Consult us without obligation
Finley W. McLachlan Ltd.
GENERAL CONTRACTORS
195 FAIRBANK AVE., TORONTO RU. 1-5661

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(OVER $250,000 VALUE)
INVESTIGATE THE ADVANTAGES OF A COMPLETE BUYING SERVICE WHICH COVERS:—
LOCATING THE COMPANY
NEGOTIATING ITS PURCHASE
ARRANGING FINANCING DETAILS
SUPPLYING NEW MANAGEMENT
REPORT ON PLANT FACILITIES
METHODS TO INCREASE VOLUME
SUGGESTING ADDITIONAL LINES
WAYS TO REDUCE OVERHEAD
ANALYSIS OF SALES EFFORT
SURVEY OF MARKET COVERAGE
As business brokers and company purchasing consultants we offer a prospective purchaser of a business a complete buying service designed to eliminate and greatly reduce complex searching, negotiating management, sales and production problems.
If you contemplate the purchase of a business and would like to have an experienced firm guide you and act on your behalf, learn how a company purchasing service could be beneficial to you.
WRITE IN CONFIDENCE
WILLIAM DRAPER, PRES.
DRAPER REAL ESTATE CO. LTD.,
1435 LAKESHORE RD., TORONTO 14, ONT.
BUSINESS BROKERS and BUSINESS CONSULTANTS

PROFESSIONAL ENGINEER AVAILABLE

Ten years experience in construction, plant design, large contract work, and business management. Seeks position with large manufacturing company as manager of construction or engineering division. Highest references available. Mid thirties. Married. Locate anywhere.

Box 260, The Financial Post, Toronto

Getting Ahead

Astute businessmen plan for success; they read The Financial Post because it helps them make right decisions. Yearly by mail in Canada, $6; elsewhere $7 yearly.

Wanted TRUST OFFICER

For Trust Company
Good Future

Box 271, The Financial Post, Toronto

OFFICE MANAGER DESIRES POSITION

Age 32. General Accounting Diploma.

Industrial experience. Capable of managing small or medium size office.

Exceptional abilities.

Excellent References.

BOX 276, THE FINANCIAL POST, TORONTO

FIELD SECRETARY

National Trade Association requires mature man to secure new members on commission basis. Retired businessman accustomed to selling intangibles suitable. Must be able to approach large firms.

Box 254,
The Financial Post, Toronto

CORPORATION OF THE CITY OF OTTAWA

DEPUTY CITY TREASURER FINANCE OFFICER

Applications for these positions will be received up to and including January 31st, 1956.

Applicants should be between 30 and 45 years of age and have accredited professional background and experience.

For the post of Deputy City Treasurer, applicants should have an accounting background and preferably membership in a Professional Accountant's Association of recognized standing or the equivalent, with reference particularly to experience in municipal accounting, finance and administration.

Finance Officer candidates should have an accounting degree with a Professional Accountant's Association or degree in commerce and finance from a university of recognized standing with specialization in economics or statistics, or the equivalent, with experience in financial work at a senior level of responsibility. Special credits will be given for experience in municipal accounting and finance or in the organization and development of mechanized accounting and payroll systems.

Depending on necessary qualifications and experience, preference will be given to promotions within the civic service.

Application forms may be obtained from and should be returned to the Commissioner of Finance, City Hall, 48 Rideau Street, Ottawa, Ontario. Mark outside envelope "Application—Confidential."

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Flat rate, per word	.12c
Minimum charge	$3.00

Each initial, figure or fraction, abbreviation and sign counts as one word; if a box number is desired, the words Box 100 The Financial Post, Toronto, count as six words. When replies are mailed to advertiser 15 cents extra is charged. Closing date—Copy must be in Toronto office by Tuesday a.m. Classified advertising is strictly cash in advance.

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WE ARE IN a position to handle one or two more quality lines, on a commission basis. Sold to Grocery, Hardware, Packing Houses, Chain & Department Stores. H. C. Andrew Limited, Perry Building, Calgary, Alta.

BUSINESSMEN! New products reported in weekly Newsletter. Designed for you. Write for details. N.P.I. Service, 111-A University Tower Bldg., Montreal 2, Canada.

SALES REPRESENTATIVE

EARLY FORTIES, with proven sales record desires connection with eastern manufacturer or building supply lines or men's furnishing lines for Western Provinces, Alberta or B.C. Write for further information to Box 264, The Financial Post, Toronto.

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REQUIRED IN ONTARIO. Best terms offered. Reply in confidence to Box 275, The Financial Post, Toronto.

Positions Wanted

EXECUTIVE, 38, U of T GRAD.

EXPERIENCED IN MANAGEMENT, import export, Dominion Government, Far East Trade, arbitrage, personnel, promotion and sales desires appointment Canada or abroad, available immediately. Box 269, The Financial Post, Toronto.

FARM MANAGEMENT

I WOULD LIKE to contact someone in Western Canada having or desiring to establish a purebred herd of beef cattle. It is important that the person replying be of high integrity and desirous of exchanging personal and business views during negotiations. I feel that fairly broad agricultural experience plus my intensive study in most of the many subjects involved in cattle breeding and farm management could please you. If you believe your proposition has sufficient scope to hold my interest and if in spite of possible re-adjustments your financial standing will present suitable living standards and a fair additional remuneration, I would be appreciative of hearing from you. Box 266, The Financial Post, Toronto.

OPPORTUNITIES

Our clients have a corporation for sale with a deficit account in excess of $300,000.00. This company is operating at the present time in the Soft Goods business in the City of Toronto. Write or phone

RUMACK, SEIGEL AND COMPANY, CHARTERED ACCOUNTANTS
147 Spadina Avenue, Toronto, Ontario EM. 6-4643

MODERN SHOE FACTORY

In one-storey new building, approximately 10,000 sq. ft. producing established line of casuals and slippers. Out of town in large city. Excellent opportunity, liberal terms with immediate occupancy.

Box 277, The Financial Post, Toronto

WOOD AND METAL WORKING CAPACITY AVAILABLE

Expanding completely equipped woodworking and finishing plant has capacity available for job lot work in quantity. Standard line work manufactured economically.

Box 225, The Financial Post, or phone MA. 9487, Toronto

FINANCES AVAILABLE

For small loan or acceptance to buy outright or partnership. Reply confidential with complete details.

Box 270, The Financial Post, Toronto

CONVEYING MACHINERY DISTRIBUTORS WANTED

Leading U. S. manufacturer of complete line of high grade conveying equipment desires Distributors and Sales Representatives in all principal Canadian cities. Steady growth in 24 years of manufacturing conveyors. Many Canadian installations. All types nationally advertised.

APPLY TO BOX 229, THE FINANCIAL POST, TORONTO

BUILDING MATERIALS SALES MANAGER

$12,000-$15,000

REQUIRED IMMEDIATELY

Our client is desirous of obtaining the services of the best qualified man in this region to take over this important post.

Successful candidate must have a proven background of success of sales administration in this field. Age not important. He will be responsible for building a successful sales organization reporting only to the General Manager.

If you are this executive, or know of someone who can qualify, please contact Rodney G. Kennett, by letter immediately. There is no charge to candidate for our services and all information will be held in strictest confidence.

J. B. FRASER
EXECUTIVE PLACEMENT CONSULTANTS LIMITED
Established 1936
321 BLOOR STREET EAST TORONTO, ONTARIO

CORPORATION LAWYER REQUIRED

Here is an excellent opportunity for an experienced lawyer (under 40) to join the Toronto Head Office Legal Department of a major Canadian oil company.
This is a highly responsible position requiring a man thoroughly versed in commercial and company law, and with preferably corporate financing and administrative experience or ability. Salary will be commensurate with responsibility of position.
All replies will be treated in confidence.
Apply to Box No. 274,
The Financial Post, Toronto

GENERAL MANAGER

To assume complete responsibility for management of well-financed, independent gas and oil exploration, drilling, and producing company located in Alberta which has substantial reserves already proven.
This is an excellent opportunity for a well-qualified man who has wide experience in oil and gas exploration, drilling, and production management. Salary in high bracket with excellent future prospects based on performance.
Please reply in writing giving all details of education, experience, and personal data, to:

STEVENSON & KELLOGG, LTD.
Consulting Management Engineering
810 Royal Bank Building, Vancouver 2, B.C.

OPENING

For building construction executive thoroughly experienced in all phases of operations. Company is well established in Eastern Ontario, well equipped and well financed. Applicants must, however, be willing to invest capital for incentive reasons. Kindly state full qualifications in initial application and what capital you would be prepared to invest. Graduation in engineering would be desirable, but not mandatory. Preference will be given to ability to perform rather than invest capital.

REPLY TO BOX 273, THE FINANCIAL POST, TORONTO

FORD OF CANADA

Business Management Specialist

We have a Toronto Head Office opening in a senior capacity in the Business Management department of the Mercury-Lincoln-Meteor Sales Division.

Minimum educational requirement is Senior Matriculation.

The successful applicant must be fully acquainted with all phases of automobile dealership operations, particularly dealer accounting. He must be able to assist in developing business management programmes, training personnel and supervising dealer counselling activities. Periodic trips to major cities in Canada will be necessary.

Excellent opportunity for advancement with many Company-paid benefits, including Hospitalization and Medical Insurances, Group Life Insurance, Pension Plan and Sick Leave Policy.

Reply by letter, stating age, education, details of experience and salary expected to:

Manager—Office Services,
FORD MOTOR COMPANY OF CANADA, LIMITED
120 Bloor St. East, Toronto 5, Ont.

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This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

CURTISS-WRIGHT of CANADA, LIMITED

1980 SHERBROOKE ST. W., MONTREAL, P.Q.

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EXECUTIVE SALES ENGINEER

with proven ability and top industrial contacts.

Top salary commensurate with qualifications

YOUNG MECHANICAL SALES ENGINEER WANTED

to handle the sale of a well-known line of Conveying and Elevating Equipment in Montreal and vicinity. Some knowledge of French required. Permanent position offering substantial salary to start and ample opportunity for advancement. This is in addition to our existing staff who are aware of this vacancy. If you believe you are the man for this position, please send complete details of qualifications and past experience, which will be held in strict confidence.

Box 241, The Financial Post, Toronto

CHARTERED ACCOUNTANT

We seek a recent graduate for a position with excellent opportunities, in a rapidly expanding company. Salary commensurate with ability and experience. All applications treated confidentially.

Apply in writing to F. T. JENNER—Personnel Officer
CANADIAN OIL COMPANIES, LIMITED
204 RICHMOND ST. W., TORONTO 1

FINANCIAL EXECUTIVE AVAILABLE

Capable executive, 47, with experience in chain stores, insurance, light manufacturing, stock brokers, some corporation legal work. Present post, chief accounting official, company secretary and director of group. Desires more scope.

Box 244, The Financial Post, Toronto, Ont.

SALES ENGINEERS

We have openings in Montreal and Toronto for graduate engineers, or equivalent, in a Company whose products are well-established in the precast concrete field. These are excellent opportunities for men who want to go places.

For these positions we are looking for men in their early thirties, but age is not a barrier. Sales experience in the construction industry an asset but not essential. Salary open to discussion. All applications will be kept in strictest confidence. Arrangements will be made to interview all applicants in Montreal or Toronto. Send particulars to:

BOX 268, THE FINANCIAL POST, TORONTO

SENIOR MECHANICAL FIELD SUPERVISOR

Experienced professional engineer or mechanical designer with supervisory field experience in heating, plumbing or process installations.

This position involves responsibility for quality control and contractor and Owner relationships. Liberal salary commensurate with experience and ability.

For appointment, phone Mr. K. N. Craig, **R. M. Way & Co. Ltd., 321 Bloor St. East, Toronto. WA. 4-9371.**

All enquiries will be treated in strictest confidence.

YOUNG SALES EXECUTIVE AGE 30-35

Background of sales administration and travel in Canada helpful. Must be capable of directing a sales organization with headquarters in Toronto. Experience in millwork, refrigeration or general industrial sales of help but not essential. This is a position of outstanding potential in a large well known Canadian organization. Salary commensurate with qualifications—expenses, bonus plan and insurance included. Our staff know of this advertisement. In reply give complete information in first letter to

Box 262, The Financial Post, Toronto

ACCOUNTANTS

A very large Canadian Company offers unusual career opportunities to young Chartered Accountants, 28-30 years of age. Accountants who have completed their formal training and have had three to five years additional experience on the accounts of large corporations will be considered for the positions.

The immediate assignment is related to the establishment of internal audit procedures in this national Company. The experience gained in the initial positions provides an exceptional training opportunity since it will lead to familiarity with all aspects of the Company's accounting systems.

Proven competence in these positions will open promotional opportunities that will offer a full and satisfying career within the Corporation.

Interested candidates are requested to include in their applications full details of education and experience. Applications which will be received in confidence should be addressed to:

BOX 261, THE FINANCIAL POST, TORONTO

LAWYER-CHARTERED ACCOUNTANT

Bachelor of Commerce (Honours Economics), age 31, married, wide experience and interests, presently practicing corporate and taxation law, desires position where effort and initiative are required and advancement opportunity is unlimited.

Box 243, The Financial Post, Toronto

CHARTERED ACCOUNTANT

Expanding multiple retail chain with H.O. in Montreal and operating coast-to-coast requires Chartered Accountant to act as Assistant to the Treasurer. Applicants should not be over 35 and should have had considerable experience in dealing with corporate accounting and secretarial matters, especially income tax. Successful candidate will be paid a good starting salary and will receive standard welfare benefits. Position carries excellent opportunities for advancement in responsibility and commensurate salary. All applications will be treated as confidential and should be forwarded with full details of qualifications, experience, etc., to

Box 263, The Financial Post, Toronto.

YOUNG ADVISORY COUNSEL

Are Required For The
Department of Justice, Ottawa

The Starting Salary is $4,380 and there are numerous opportunities for advancement. The work is interesting. No experience is required.
Inquiries are invited from:

- **Members of the Bar in one of the Provinces of Canada**
- **Law graduates anticipating admission to the Bar**
- **Law students in the final year of their course**

For details, please write to:
CIVIL SERVICE COMMISSION, OTTAWA
Ask for Circular 55-935.

Auditor Available

Chartered Accountant, age 33, presently occupied in public practice, desires opportunity with public accounting firm offering executive responsibility and future partnership participation. Will also consider position as internal auditor. Willing to relocate.

Box 267, The Financial Post, Toronto

CHIEF ACCOUNTANT REQUIRED

by 900-bed hospital. Applicant should be C.A. or C.P.A. Experience in hospital accounting an advantage but not essential. City of 100,000 population with all the cultural advantages, situated in southwestern Ontario. Salary open. In reply, give full details as to qualifications, experience and date available to

Box 259, The Financial Post, Toronto

HOTEL - RESTAURANT - PRIVATE CLUB EXECUTIVE AVAILABLE

Managed successfully for 1½ years one of the finest Clubs in Western Canada. **TRAINING and EXPERIENCE:** First class hotel-restaurants in Europe Graduate Intern Hotel-School Lausanne (Switzerland). Speaks and writes four languages fluently. Age, 38 years, married. References—Certificates and Curriculum vitae on request.

Box 265, The Financial Post, Toronto

SENIOR EXECUTIVE IN ELECTRONIC FIELD

seeks association with small or medium sized company in the electronic or electrical fields with strong growth possibilities — preferably a company experiencing difficulties due to lack of strength in the Sales Division and where intimate knowledge of Canadian commercial and Defense requirements could contribute most fully. Experienced in Management and Sales Organization with a solid background of achievement. Interested in management or V.P. sales position with opportunity for stock participation and solidly expanding future. Initial earnings $12,000 to $15,000 providing future not limited.

Box 258, The Financial Post, Toronto

HIGH LEVEL PETRO-CHEMICAL PLANT PERSONNEL

REQUIRED

. . . for New Plant of Northwest Nitro-Chemicals Ltd., Medicine Hat, Alberta. Applicants should have experience in plant supervision, i.e.:

DEPARTMENTAL SUPERINTENDENTS, MECHANICAL ENGINEER, MAINTENANCE ENGINEERS, INSTRUMENTS ENGINEER, CHIEF CHEMIST, CHEMISTS, SHIFT SUPERVISORS.

Plant will produce Phosphate Fertilizers, Ammonia, Ammonium Nitrate, Nitric Acid and Sulphuric Acid.

APPLICATIONS STATING EXPERIENCE should be sent to Miss B. J. Burnet, 304 Toronto General Trusts Bldg., Calgary, Alberta, following which, appointments for interviews will be arranged.

NORTHWEST NITRO-CHEMICALS LTD.

What's New

New products, new uses, new ideas, new money-makers. We report them here and invite your contributions. Write to 481 University Ave., Toronto.

For Tots or Tycoons

A line of foam-rubber toys are easily washable — they squeeze dry like a sponge. Come in wired or unwired varieties. Wired toys may be bent into hundreds of fascinating shapes and the aluminum wire is made to withstand constant bending. Primarily designed for children, business concerns may also adapt them to advertise a number of products in sales campaigns.

* * *

Annual Oil Change

Special calcium alloy cylinder, placed in an oil-line fitting, prevents necessity of auto oil changes more than once a year, it's claimed. Reacts chemically with the oil to retard oxidation, deterioration and adds a self-cleansing quality to the oil. The low-priced oil saver lasts a year in average use.

* * *

Medicated Atmosphere

To help prevent colds, chills, catarrh, there's a medicated vapor packaged in a push-button aerosol container that is sprayed through a room to relieve congested nasal passages and make breathing easier. Claimed to be the first spray product of its kind, the new cold remedy is said to be safe and pleasant to use. Spraying of two seconds' duration is said to be enough to treat the average room.

* * *

Kettle Unclogger

Powdered scale remover for kettles has been introduced to the market. As effective as any previous descaler, but will not attack any metals says the manufacturer. If accidentally spilled it will not injure hands or clothing.

* * *

Hot Foot Floor

A radiant heating pad that fits under rugs, protects floor-hugging plants, and provides comfort for the family on cold winter evenings. Waterproof and shockproof, pad runs on low wattage and will not overheat, it's claimed.

* * *

Instant Brush Cleaner

Hand-operated machine cleans and drys paint brushes in only 90 seconds with little effort on the part of the operator. Machine has nylon palm grip handle, nylon gears, pinion and spindle. Spins brushes of up to five inches, first cleaning out and then drying the bristles. Attachments available to convert machine to clean paint roller and paint mixers.

* * *

Industrial Stores

Type of fabricated steel-frame panel comes in standard sizes of 36-in., 42-in. and 48-in. wide with depth running from 18 in. to 36 in., 42 in. and 48 in. respectively. Dimensions other than standard can be accomplished economically thereby permitting the use of available space brought about by irregular floor layouts. Panel can be fabricated to carry loads up to 100 lb. per sq. ft., provided it is supported with suitable angle uprights or struts.

* * *

Load Lightener

Heavy-duty, two-wheel hand truck is motorized for ease in moving heavy loads up ramps or grades otherwise difficult to negotiate. A gasoline engine transmits power through belt and chain drives to give a speed of approximately 3½ mph. Drive clutches operating on each wheel make steering and manual operation easy, and capacity with rubber-tired wheels can be up to 2,000 lb. The all-welded construction steel frame gives ample rigidity for heavy work.

* * *

Engine Cleansing Spray

For truck and car engines there's a spray that is said to loosen all dirt and grease which can then be hosed off with water. Consisting of a patented noncaustic liquid, the spray eliminates the need for steam equipment and difficult work formerly needed to clean engines.

* * *

Plucks Out Drill Pieces

Precision instrument draws broken drills from their holes without disturbing the jig saw or setup. Contact is made with the fragment in the hole, the forked fingers of the extractor are then pushed firmly into the grooves of the drill fragment which is then lifted. Comes in set of five drill extractors which will fit drills from 5/32nds to one in.

* * *

New Catalogues

The Canadian Welding Bureau has completed a comprehensive index of welding subjects totaling more than 30 pages. Of value to anyone who wishes to maintain a filing system for papers and articles on welding appearing in technical journals.

* * *

Sunshine Waterloo Co., Waterloo, Ont., is issuing a new catalogue presenting the Sunshine line of steel office furniture and filing equipment.

Company Reports

To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Agricultural

COCKSHUTT FARM EQUIPMENT LTD., Brantford, Ont., consolidated net loss for the year ended Oct. 31, 1955, was **$124,227**, 93.5% lower than loss of **$1,919,765** in the previous fiscal year.

An important factor in this improvement has been the expense curtailment program adopted about a year ago, says President C. Gordon Cockshutt. The company had profitable results in each of the last four months of 1955, contrary to experience in the previous year.

Sales increased 5.1% over the previous fiscal year due mainly to better crop conditions in Canada and a stronger sales program. However, overseas sales partially offset the increase in Canada and the U. S., the company's two principal markets.

The U. S. subsidiary's operations were improved because the heavy introductory expense has been completed.

Late in the year the company made a general price increase of about 7% on its implements. This increase, which was the first in three years, was necessary because of increased labor and material costs.

Company is confident that it can increase sales during the current fiscal year. It will continue to place increasing emphasis on the U. S. market which offers the greatest potential sales volume, despite its being the most competitive in the world.

The company anticipates higher sales in both the U. S. and Canada while overseas business will be approximately the same. A substantial portion of company's earnings in future years will not be subject to income tax until accumulated loss carried forward has been offset.

Company received a cash dividend of $475,000 from Cockshutt Aircraft Ltd., which it sold at a satisfactory price, and included this amount in the year's income account.

CONDENSED CONS. BALANCE SHEET

As at Oct. 31:	1955	1954
Cash	$1,702,632	$875,642
Accts. rec. less res.	6,499,064	8,188,275
Est. inc. tax recov.	152,399	1,329,095
Inventories	19,138,699	24,789,083
Total curr. assets	27,492,794	35,182,095
Invest. in sub.	1,125,550	100,000
Misc. assets	333,765	510,438
Fixed assets*	8,001,834	8,089,861
Total assets	36,953,943	43,882,394
Bank loans	720,637	7,511,760
Accts., etc., pay.	2,592,923	1,986,009
Fund. debt instal.	558,000	558,000
Total curr. liabs.	3,871,560	10,055,769
Funded debt	8,301,000	8,659,000
Mortgage pay.	1,577,632	1,777,632
Pension res.	102,096	164,111
Conting. res.	2,500,000	2,500,000
Invent. res.	2,250,000	2,250,000
Capital stock	10,411,804	10,411,804
Capital surplus	1,463,176	1,463,176
Surplus	6,476,675	6,600,902
*After depr. of	12,779,011	12,426,599
Working capital	23,621,234	25,126,326

CONS. INCOME ACCOUNT

Years Ended Oct. 31:	1955 $	1954 $
Sales	32,229,742	30,666,201
Net earnings	975,214	*1,849,113
Less: Int.▲	791,367	893,176
Deprec.	508,727	491,946
Inc. tax res.	279,000	†1,182,642
Add: Profit on assets sold	4,653	131,828
Divd. fr. subs. not consol.	475,000	......
Net loss	124,227	1,919,765
Dividends	......	320,538
Deficit for year	124,227	2,240,303

*Loss.
†Credit.
▲Includes bank interest of $384,963 in 1955, $470,081 in 1954.

Times Funded Debt Interest Earned:*	1955	1954
Before deprec.	1.45	....
After deprec.	0.20	....

*After bank int.

Earnings per Share and Dividend Record:	1955	1954
Common (new)	d$0.12	d$1.80
Paid	....	0.30

Automation Means 94.7-Mile Hotdogs

Chalk up another gain for automation. This time it will result in roughly 94.7 miles of frankfurters a week off the automatic assembly line being built into the new 22,000 sq. ft. Shopsy's Foods packing plant under construction in Toronto.

The plant, designed to handle 300,000 lb. of meat products a week, is being equipped with a variety of special machines. Included are a one-line production system receiving raw materials at the north end and shipping finished product from the south, automatic temperature, humidity and refrigeration controls, self-operating smoke ovens, automatic meat cutter and a special roof sprinkling system to reduce inside temperature during the summer.

A testing kitchen is being built for study of new equipment and products. Company president Sam Shopsowitz said the expansion is part of plans to market Shopsy products from coast to coast within a year. Also planned is a new line of frozen foods including turkey, roast beef, chicken and veal dinners.

Brown-Boggs Handles Kling Engineering Line

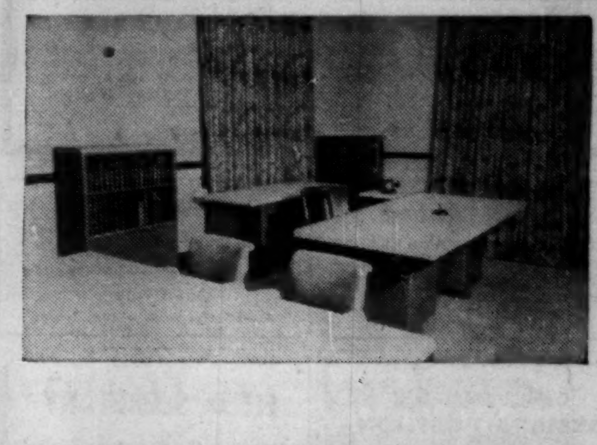
Brown-Boggs Foundry & Machine Co., Hamilton, has been appointed exclusive Canadian distributor for Kling Bros. Engineering Works, Chicago.

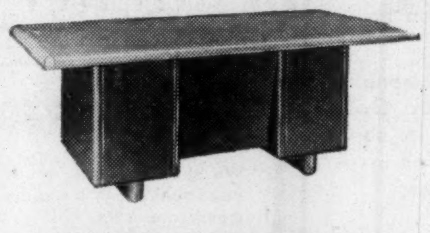
Brown-Boggs officials said the company will provide engineering service and sales information on the full line of Kling metal working equipment.

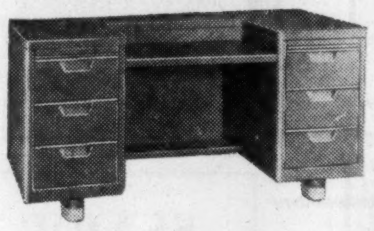
"BUY STEEL — BUY SUNSHINE"

Sunshine

Steel Office Equipment







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It's beauty, functional design and genuinely high quality have gained *Thousands of Approvals!*

— DEALERS ACROSS CANADA —

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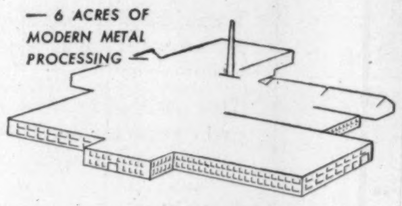
Head Office and Factory
WATERLOO, ONTARIO



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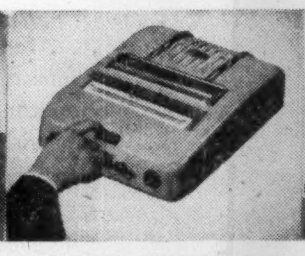
...YOU ARE LOOKING AT AN INSTRUMENT THAT WILL WORK A MIRACLE FOR YOU!

it is the incredible ROYAL®

Vanguard dictator-transcriber

Dictate in a Whisper or a Shout—The Royal Vanguard controls the volume electronically—drops a shout to normal level or lifts a whisper into clearly audible words.

Mail Duplicate Copies—The Royal Vanguard is the only dictating machine that makes simultaneous copies. Keep one for reference—mail the other wherever needed.

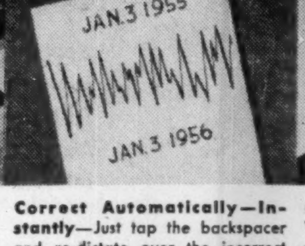


Learn to Use It in Minutes—Operating the Royal Vanguard is simplicity itself—no complicated mechanisms. Easy-to-reach controls are grouped together in front.

Hear High-Fidelity Playback—Full, round, natural tone—completely scratch-free—plays back from a recording sheet that handles as simply as a letterhead.

Record Conferences and Meetings—Important business discussions are caught for you by an ultra-sensitive conference circuit, which picks up any voice in the room.

Watch It Pay for Itself—The Royal Vanguard uses recording sheets erasable with a magnetic bar. One sheet records up to 10,000 letters for less than $1.



Correct Automatically—Instantly—Just tap the backspacer and re-dictate over the incorrect word or sentence. Error is automatically removed by new dictation.

Dictate at Your Ease—The Royal Vanguard's hand-type start-stop microphone, with 6-foot cord, enables you to dictate sitting, standing or walking.

Now... the HIGH-FIDELITY of MAGNETIC RECORDING with split-second control and amazing versatility

Our people here at ROYAL are excited. And with good reason . . . because ROYAL now introduces an instrument that marks a long and significant stride forward in modern office machines—the ROYAL Vanguard dictator-transcriber. This new electronic-magnetic instrument can cut sharply into office costs and raise efficiency to a new high level—*no matter how large or how small your business may be.*

The ROYAL Vanguard can do these things because, for the first time, the high-fidelity clarity of magnetic recording has been allied to circuits which permit a *versatility* of use and a *speed, simplicity* and *controllability* of operation heretofore unobtainable.

We make these statements about the ROYAL Vanguard with perfect confidence. That's why we ask you to challenge our unreserved claims. Send in the coupon for a no-obligation demonstration.

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The Financial Post

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There's A Crisis In These Canadian School Yards

Can Our Institutions of Custom-Tailored Learning Win Their Battle For Continued Independence?

By DONALD R. GORDON

About 10,000 Canadian parents gamble nearly $2,000 a year that their sons will turn out to be better men by getting their basic education at one of Canada's 40-odd private schools.

Alarmed by the growing trend to standardization in the crowded, sometimes understaffed Canadian public and secondary schools, they regard the independent institutions as the only chance of giving Junior the teaching and attention they think he deserves.

How much longer they will be able to take advantage of these private cloisters of education has today become a serious problem—a question not of conflicting pedagogic theory, but a straight matter of economics.

Canada's private schools are today caught in a dangerous financial squeeze which is threatening to either close them down, or to force them to forfeit increasing amounts of independence in return for provincial and/or federal subsidies.

So far, the schools have been able to hold the line and currently do not receive any significant government assistance.

But the question of cash dominates conversation on private schools in Canada today. Supporters of the schools outline their financial woes this way:

—School revenues come almost entirely from student fees. Total last year for the 17 independent boys' schools: about $3.6 millions.

—Expenses are bigger each year, up an estimated 25% since 1945. Practically everything the school pays for—books, supplies, staff salaries, buildings, food—has gone up.

—The upper limit on fees has almost been reached. Average charge now is $1,500 a year for boarders, up $300-$500 since 1945. Already there are some schools with less-than-capacity enrollment. Further cost increases could decimate the class lists.

Schools in Economic Squeeze

The economic squeeze is responsible for the two other troubles in the independent school yard: student selection and teaching staff.

Because of high fees, a school "must, of necessity, appeal to a limited group of parents who can afford the cost," says G. P. Kaye, headmaster of Shawnigan Lake School in B. C. "An outlay of $1,200 or more per annum from taxed income is beyond the means of many parents without considerable sacrifice in their standard of living."

This has meant "the necessity of including a few unresponsive boys for the sake of their fees and inability to include a number of very desirable boys whose parents haven't the financial resources to send them," according to Headmaster J. P. Page of Hamilton's Hillfield School.

Difficulties in getting competent teachers are explained in these comments from private school heads: "Salary limits below public schools" . . . "Low salary range, low benefits" . . . "Higher salary and pension schedule of the provincial schools."

The independent schools have been holding their own so far, aided by a core of teachers willing to take lower salaries because they enjoy their work.

But there's trouble ahead.

The teacher market is tight and estimates are that Canadian public and secondary schools alone will need an extra 6,000 staff members by 1960 to handle an expected 1¾-million enrollment increase. This will sweep up most of the available supply.

These factors add up to a potential threat to the future of the independent schools and raise the question of whether the schools are worth preserving in Canada.

G. Winder Smith of Lakefield Preparatory School, Lakefield, Ont., sums up the case for the privates schools: "If we live in a country of freedom, then one of the most important freedoms is freedom in education . . . this has much to fear from universal, compulsory public education. Regimentation in education quickly leads to tyranny."

"Our schools turn out, not molded forms, but distinct individuals," said Dr. J. R. Hamilton of Ridley College, St. Catharines, Ont.

Daily Timetable

This timetable, outlining the daily routine at King's College School, at Windsor, N.S., is typical of the Canadian private school student's life:

7 a.m.—Rising bell.

7.30 a.m.—Parade in halls (beds to be rolled.

8.30—Room inspection.

8.45—Chapel.

9.00-12.45—Classes.

12.45—Parade in halls for dinner.

1.00 p.m.—Dinner.

2.00-3.30—Classes.

4.00-5.30—Sports (compulsory for all medically fit boys).

6.00—Supper.

7.00—Study period.

8.15-9.45—Junior school lights out.

10.00-10.30—Senior school lights out.

On Wednesday and Saturday afternoons, boys in the upper school may visit town from 2.00 p.m.-4.00 p.m. and some upper school boys are given leave to go to a movie on Tuesday evenings. All boys are required to go for a walk off the school grounds Sunday afternoons. Boys get leave for a long week end at home once every term.

"Those who have made teaching in independent schools their career are a dedicated group and through close association with their boys outside the classroom have a distinct advantage over their counterparts in public and high schools. There is the chance to show faith in a boy's future at a time when most boys need just that."

The Post has surveyed 17 independent schools for boys across Canada. Results showed that in terms of both classroom and playroom guidance, the schools provide most of the ingredients regarded as necessary in an education system with comparatively few of the disadvantages often found in "public" schools.

These are some of the schools' important characteristics:

Classes are small, allowing teachers to allot extra time to difficult topics and extra patience to slower students. In most of the schools, the ratio is about one teacher to every 12-15 students (the average is one to 25 in public schools).

Teachers usually live on the premises and are available during off hours to assist students. Most of them are familiar and sympathetic with school-age children's problems, able to provide leadership in cultural and recreational activities as well as straight academics. Teachers' qualifications are often as good as or better than those of their public school counterparts.

The majority have university degrees, two years' teaching experience and specialties such as athletics, dramatics and other extra-curricular activities. Salaries run from about $1,500-$3,000 for junior school, $2,000-$6,500 for senior plus various combinations of board, accommodation, pension and health plan privileges.

There is a broader base to learning than is found in a textbook. Most students live in, quickly adjusting to the give-and-take necessary to get along. Various systems of student government encourage development of initiative and self-reliance. Extra courses offered by the schools include such things as art, music, dramatics, public speaking, advanced mathematics, carpentry and philosophy.

In addition the schools organize and encourage athletics and religious instruction in a pattern similar to traditional English public schools. Students average eight hours or more a week on the playing fields, attend chapel services up to 14 times a week and usually get regular instruction periods from ministers of their own religious denomination.

"Christian, Manly Citizens"

"I would say the school aims at producing Christian and manly citizens who are prepared to take their place in the Canadian community with a full knowledge of their responsibilities," C. L. O. Glass of Bishop's College School, Lennoxville, Que., told The Post. "Every attempt is made to convince them that any privileges they may attain are of secondary importance.

"There are some boys not fitted for the comparative rigors of boarding school life. It is perhaps true to say that a boy is divorced to some extent from the influence of his home. It has, however, been my experience that this is hardly a disadvantage since their appreciation of their home is deepened by their experience away from it."

The schools operate on timetables designed to keep the boys profitably occupied (and out of trouble) from morning to night. Regular inspection of rooms, dress and supervised study hours are stressed to keep them tidy and academically up to scratch.

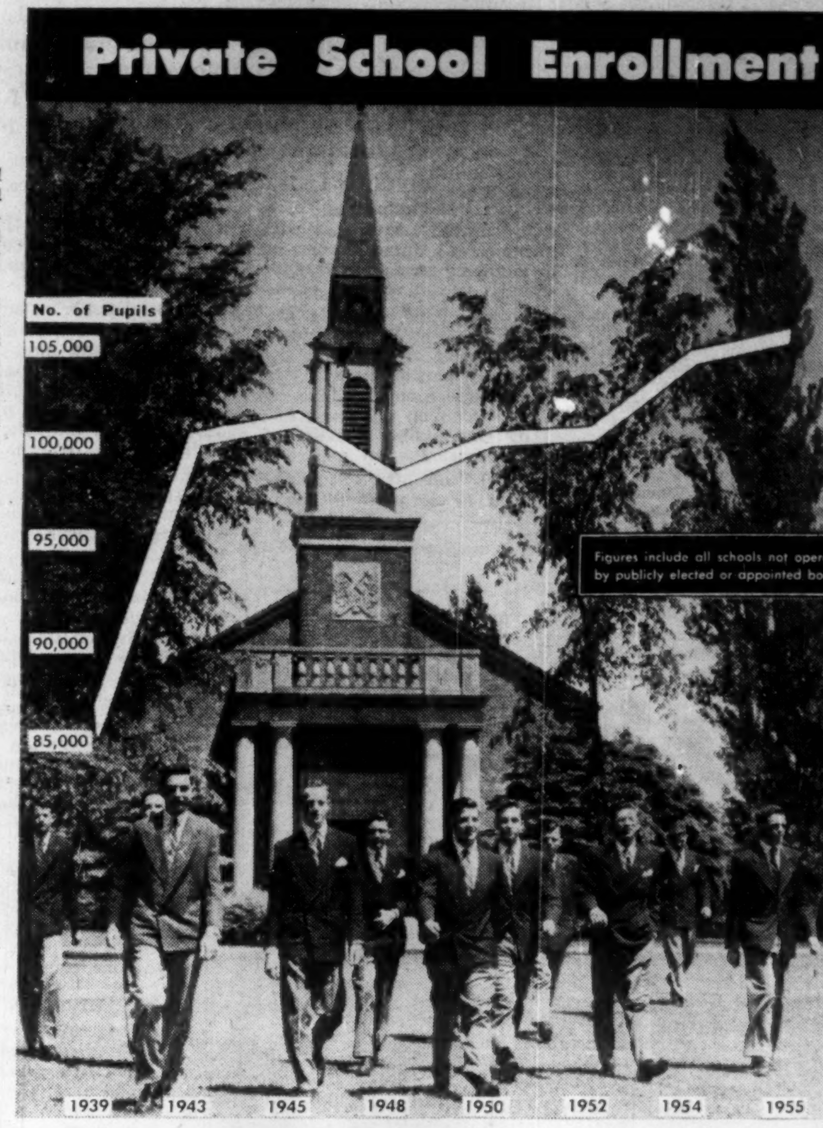
There are fairly rigid rules about clothes too. In most of the schools, the approved outfit is either a school uniform or sports jacket and grey flannels with white or plain color shirt and school tie on week days and dark suit or school blazer and flannels with white shirt and school tie on Sundays. Old clothes are allowed in school woods or playgrounds.

Discipline varies with the school but the majority concede the value of a good spanking when the need arises. For minor infractions of rules, various systems using detentions after school hours, loss of leave privileges and confinement to school grounds are the most favored.

"The main advantage accruing to a boy who attends a good boarding school is that the whole boy is developed — his mental, moral, physical and spiritual natures — he is in steady contact with the good influence of others, masters and boys, and he lives in attractive surroundings," P. A. C. Ketchum, headmaster of Trinity College School, Port Hope, Ont., says.

At Pickering College, Newmarket, Ont., noted for its Quaker tradition, emphasis is placed on students' handling their own affairs. "We endeavor to transfer the responsibility to discipline from the older to the younger according to the latter's capacity to guide his own life," Headmaster H. M. Beer said. "There is no corporal punishment."

"Each student has a member of the staff who acts as counselor and grants increasing freedom to make decisions to the boy as he moves through the school. Under this system of discipline by discussion and guidance, most students are led, albeit by their own mistakes, to the true goal of education, self-discipline."



How Much 'Private Education' Costs

	Enrollment	Tuition	Estimated Total Cost	Full-Time Teaching Staff
APPLEBY COLLEGE	66 day	$450- $500	$600- $800	15
Newmarket, Ont.	132 boarders	1,150-1,250	1,400-1,500	
ASHBURY COLLEGE	135 day	450	650	17
Ottawa	105 boarders	1,200-1,300	1,350-1,600	
BISHOPS COLLEGE	5 day			22
Lennoxville, P.Q.	205 boarders	1,400	1,650	
HILLFIELD SCHOOL				
Hamilton	200 day	450- 570	600	16
KINGS COLLEGE SCHOOL	82 day			
Windsor, N.S.	17 boarders	925- 950	1,100	12
LAKEFIELD PREP SCHOOL	6 day			
Lakefield, Ont.	126 boarders	1,200	1,500	11
LOWER CANADA COLLEGE	358 day	360	700	22
Montreal	54 boarders	1,100	1,300	
PICKERING COLLEGE				
Newmarket, Ont.	130 boarders	1,200-1,300	1,500	16
RIDLEY COLLEGE	29 day			
St. Catharines, Ont.	319 boarders	1,500	1,700	30
ROTHESAY COLLEGIATE	35 day	350	600	11
Rothesay, N.B.	110 boarders	1,050	1,350	
ST. ANDREWS COLLEGE	29 day	250- 300	600- 625	20
Aurora, Ont.	215 boarders	1,250-1,300	1,750	
ST. GEORGE'S SCHOOL	178 day	235- 300	275	17
Vancouver	90 boarders	650- 715	1,050	
ST.-JOHN'S RAVENSCOURT	65 day	600	700	13
Ft. Garry, Winnipeg	75 boarders	1,025	1,400	
SHAWNIGAN LAKE SCHOOL				
Shawnigan Lake, B.C.	140 boarders	1,050	1,300	13
TRINITY COLLEGE SCHOOL	11 day			
Port Hope, Ont.	243 boarders	1,400-1,500	1,550-1,650	26
UNIVERSITY SCHOOL	75 day	250- 300		
Victoria, B.C.	105 boarders	1,250-1,300	1,450-1,550	13
UPPER CANADA COLLEGE	567 day	600- 650	725	46
Toronto	158 boarders	1,400-1,500	1,700-1,800	

Nestor's Stocks Grow 52% In Three Years

These 26 'Growth Stocks' Advanced Faster Than Market Averages

Late in 1952, The Financial Post asked Nestor, a prominent and successful investment counselor, to pick 26 stocks — 16 growth companies and ten natural resource companies — which he felt had extra growth potential.

Now, three years later, these stocks have risen 52% in value, while the DBS Stock Index is up only 45%.

Here is the third annual review of the position and outlook for Nestor's choice:

A happy and profitable third birthday. An investor who put up $10,000 and invested it equally among all of Nestor's 26 Selected Growth Stocks at the end of 1952 could wish for more of the same this week as he blew out the candles on his investment cake—now worth $15,200.

That is the impressive three-year performance of this list of 26 stocks, chosen for a long haul based on growth of Canadian industry. It is a showing better than changes in well-known indicators of movements in Canadian stock prices over the past three years.

The real success of long-term investment cannot be measured until the market has gone through five, ten or possibly more years, because the basic thinking behind Nestor's selections in December 1952 was that "over the long-term" these Selected Growth Stocks should do better than stocks in general.

Here are the results of Nestor's selections as compared with some of leading indicators on Canadian stocks.

—In the three years since chosen, the 16 growth companies have risen 64%. This is a substantial edge on the Toronto Stock Exchange industrials index which has climbed 36% in the same period; the Montreal Stock Exchange industrials index which is up 39%; and the Dominion Bureau of Statistics Investors Price Index of 99 stocks which is up almost 45%.

However, the performance for 1955 of a 15% improvement in the 26 stocks and 12% in the 16 growth companies has been no better than market indices. TSE industrials added 14%, MSE industrials climbed 15%, and DBS index rose 17%.

—The ten natural resource companies have lagged behind the improvement in the growth companies, showing a gain of 32% over the three years. Much of this gain occurred in 1955 when prices climbed an average of 21%.

However, in relation to performance of the TSE base metals index which climbed 24%, Nestor's list has made the better showing. Similarly, it has a better gain than the TSE western oils index which is down 2.4% from the end of 1952; and the MSE golds which are up 23%. In 1955, the natural resource selections exceeded the western oils and the golds with a 21% gain, but lagged behind TSE base metals which climbed almost 40%.

Average indicated yield on the 26 stocks at Dec. 30, 1955, market prices was 3.36% (3.32% on the 16 growth companies and 3.42% on the ten natural resource stocks). Expected annual yield at the prices when the 26 stocks were chosen was 4.30% (4.95% on the growth companies and 3.25% on the natural resource companies).

Not all the stocks chosen have climbed. Influence of over-all market patterns shows up in 1955 when **Imperial Oil** was the only natural resource selection to show a decline as this group made an over-all better showing than the 16 growth companies which showed six issues at lower levels.

However, for the three years, only three growth issues are lower and one natural resource company.

Atlas Steels, which is down 9% in three years, has staged an improvement of 26% in 1955 as business improved rapidly. This company was faced with sharp drops in markets and earnings to the point where it had to stop dividend payments. But business has improved markedly in 1955 with the result that dividends may once more become possible before long. Earnings for 1955 should be in the neighborhood of $1.80 to $1.90 a share based on nine months earnings of $1.40.

Canadian Celanese shows the steepest loss (51%) over the three years, reflecting depressed conditions in the textile industry. However, the company was able to operate in the black and after cutting back dividends from $2.40 a year to a rate of 60c, has increased the rate to an indicated 75c. Earnings last year are likely to be close to this dividend rate.

Massey-Harris-Ferguson, in common with other farm implement manufacturers has been suffering from drops in farm income. The shares are only slightly below their 1952 level (3%). In the light of general conditions in this industry, it is expected that 1955 earnings will be at about 1954 levels (75c-80c a share).

Placer Development, only natural resource issue to show a three-year decline (11%), moved higher through 1955 with the company indicating a possible dividend rate of $3 a year, up substantially from $1.75 or $1 a share on the new stock following a planned 3-for-1 split.

Best gainers among the 26 stocks were in the growth companies, particularly those firms in forest industries. **Powell River** led the list of gainers with a 141% advance, reflecting continuing strong demand for newsprint and steady expansion. With this company generally paying out some 60% of its earnings as dividends, profit per share for 1955 probably approached $3, compared with $2.68 in 1954.

Similarly, **MacMillan & Bloedel** (up 139%), **Howard Smith Paper Mills** (up 130%) and **Consolidated Paper** (up 102%) have been features among the leading gainers.

MacMillan earnings jumped to $3.57 (from $2.46) in 1955. Howard Smith and Consolidated are expected to show gains too.

Dominion Stores, which increased in value by 140%, has been a bright spot in the list. This chain store has spread its wings even further in the past year through acquisition of eastern and western Canada chains. However, year has involved a period of digestion of these new properties and expenses in integration probably will affect earnings which shouldn't be too far off the $2.14 a share reported last year.

One of Best Advances

Aluminium Ltd. made one of the best advances in 1955 (44%) and is up 114% over the three years. Interest has been heavy in this company because of continued expansion to meet sharply growing world demand for the metal. However, the company recently announced it had had to curtail output because of water shortages in Quebec. This cutback will show most of its affect on early 1956 earnings and 1955 profits could be around $4.50 a share, compared with $3.87 in the previous year. In the first nine months, Aluminium net was equal to $3.69 a share.

Industrial Acceptance, although down slightly in 1955, is up 77% from the end of 1952. This company has benefitted from high level of consumer spending but recent moves by federal authorities aimed at mildly squeezing credit to prevent inflation affected price. With earnings in the first half of 1955 equal to $2.49 a share, final results may show slight dip from $5.39 reported in 1954.

Distillers Corp.-Seagrams, with a 56% rise since the end of 1952, rose in price in 1955 in spite of lower earnings ($3.54 vs. $4.09) but considerable investment interest is being aroused by the company's oil investments in the U. S.

Canada Cement which had previous sharp advances slipped back some 4% in 1955 but is still up a sizeable 87% since chosen. With large demand for cement, earnings were probably up moderately last year despite large write-offs for plant expansion. However, of growing concern is expected increase in competition for Canadian cement market from new companies although Canada Cement is very solidly entrenched.

Simpsons Ltd. was another growth selection which dropped back in 1955 (18%) although it is still up some 45% over the three years. Benefits from Simpson-Sears subsidiary (in which Simpsons has 50% interest) still in the future but booming department store sales in Canada could boost earnings from the 85c a share earned in 1954. Higher sales in 1955 probably raised this to around $1 a share. Similarly, **Zeller's**, with a 31% rise since the end of 1952, may show profits

(Continued on page 34)

Their Growth Record

	Market Price Dec. 31/52	Market Price Dec. 31/54	Market Price Dec. 30/55	Percentage Change Dec. 31/52 – Dec. 30/55	Percentage Change Dec. 31/54 – Dec. 30/55
Aluminium Ltd.	50⅜	74¾	108	+114.4	+44.5
Atlas Steels	20¼	14⅝	18½	—8.6	+26.5
Canada Cement	18⅝	36¼	34¾	+86.6	—4.1
Canadian Celanese	42⅝	25	20¾	—51.3	—17.0
Consolidated Paper	*17.69	*31⅛	35¾	+102.1	+14.9
Distillers Corp.-Seagrams	24½	33¼	38¼	+56.1	+15.0
Dominion Stores	14¼	29¾	34¼	+140.4	+15.1
Howard Smith Paper Mills	17½	30¾	40¼	+130.0	+30.9
Industrial Acceptance	30	54	53	+76.7	—1.9
MacMillan & Bloedel B	17¾	28½	42⅜	+138.7	+48.7
Massey-Harris-Ferguson	9¾	9¾	9½	—2.6	—2.6
Moore Corp.	....	....	41	+20.8°	+14.3°
Powell River Co.	23½	43⅜	56¾	+141.5	+30.8
Simpsons Ltd.	11⅞	21	17¼	+45.3	—17.9
Steel Co. of Canada	....	....	58¼	+6.6°	+2.5°
Zeller's Ltd.	18¾	26½	24½	+30.7	—7.5
NATURAL RESOURCE COMPANIES					
Asbestos Corp.	25½	35	42	+64.7	+20.0
British American Oil	20⅝	29¾	37¾	+83.0	+26.9
Canadian Pacific Railway	32¼	31⅜	33⅞	+5.0	+8.0
Cons. Mining & Smelting	33	31	36¼	+9.8	+16.9
Falconbridge Nickel Mines	22½	23¾	31	+37.8	+30.5
Hollinger Consolidated	15½	16¾	23⅞	+54.0	+42.5
Imperial Oil	35¾	40	39	+9.1	—2.5
Noranda Mines	*37½	*41	56¼	+50.0	+37.2
Pacific Petroleums	12	12⅜	13¾	+14.6	+11.1
Placer Development	41	32	36½	—11.0	+14.1

*Adjusted for 2-for-1 stock split.

°Changes calculated on action of stock since it was selected and that of the stock for which it was substituted. For basis of calculation see Financial Post, Oct. 15, 1955.

The 26 Stocks Have Risen

. . . 52% SINCE THEY WERE CHOSEN
Dec. 31/52 — Dec. 30/55

	Growth Companies %	Natural Resource Companies %
Selected Growth Stocks	+64.2	+31.7
The Averages	+35.9 (a)	+24.4 (d)
	+39.2 (b)	—2.4 (e)
	+44.7 (c)	+23.2 (f)

. . . AND 15% DURING 1955
Dec. 31/54 — Dec. 30/55

	Growth Companies %	Natural Resource Companies %
Selected Growth Stocks	+12	+20.5
The Averages	+14.1 (a)	+39.8 (d)
	+15.1 (b)	+17.6 (e)
	+17.3 (c)	+12.1 (f)

Note: The averages used are: (a) Toronto Stock Exchange Industrials Index; (b) Montreal Stock Exchange Industrials Index; (c) DBS 99 stocks (d) TSE base metals; (e) TSE Western Oils; (f) MSE golds.

ANNOUNCEMENT

PILKINGTON APPOINTMENT

GEORGE R. BOYD

George R. Boyd has been appointed Works Manager of the Scarborough plant of Pilkington Glass Manufacturing Co. Ltd., it is announced by Lewis J. B. Forbes, Vice-President. He succeeds R. S. Roberson.

Mr. Boyd brings to his new post extensive industrial experience in both Canada and Britain. Prior to joining Pilkington he was associated with Canadian General Electric and J. A. Wilson Lighting in Canada and with Blackburn Aircraft in Britain where he was Production Manager.

Mr. Boyd was born in Scotland and is an engineering graduate of the Royal Technical College at Glasgow.

Here's Text of the Duplessis Newsprint Bill

Regulates Price, Supply, Restricts Wood Shipments

Following is the text of Bill No. 28, "an act respecting the sale and distribution in the province of newsprint made from wood derived from the public domain of the province," as presented to the Quebec Legislature for second reading last week.

Under the bill, the province would: (1) hold newsprint prices at the level of Sept. 1, 1955, before the increase of $4 a ton was announced; (2) guarantee supply to consumers; (3) establish a four-man Newsprint Control Board; (4) permit or restrict the shipment of "incompletely processed wood" to another province.

DIVISION I
Definitions

1. In this act, unless the context indicates a different meaning, the following terms mean:

(a) "forest concession": any license, lease, contract of lease and hire or of farming-out, or agreement of any kind granting to any person, firm or corporation, under any law, the right to cut wood on any land or lands of the public domain of the Province;

(b) "consumer": any person, firm or corporation having his domicile or its place of business, as the case may be, in the Province of Quebec and there publishing and printing or there causing to be published or printed, a newspaper;

(c) "supplier": any producer and any affiliated company of the producer, and any person, firm or corporation acting as agent of the producer or of the affiliated company of such producer for purposes of the sale, delivery or distribution of the producer's newsprint;

(d) "newspaper": any newspaper, review or magazine published and printed in the Province;

(e) "paper-mill": any industrial establishment situated in the Province in which newsprint is presently manufactured;

(f) "newsprint": any paper intended or capable of being used for the printing of a newspaper;

(g) "producer": any person, firm or corporation operating a paper-mill and holding a forest concession or using in his or its paper-mill any forest products derived from lands under forest concession;

(h) "forest product": wood in its raw state or transformed into pulp or woodpulp by mechanical or chemical or other processes;

(i) "board": the Newsprint Board constituted by this act.

DIVISION II
Price and supply of newsprint to consumers

2. From and after the 1st of September 1955, and until the 1st of March 1957, no producer or supplier shall exact, directly or indirectly, from one or more consumers, for his newsprint, a higher price than that in force on the first of September, 1955.

No producer or supplier after the first of March, 1957, shall increase such price without the authorization of the board.

3. Notwithstanding any consent or agreement to the contrary, no consumer shall be bound to pay to any producer or supplier a higher price than that authorized by section 2 and every consumer shall have a recourse in recovery of a thing not due for the excess over such price paid to the producer or supplier.

4. For the month of December 1955, and for each month thereafter, subject to sections 5, 6 and 7, every consumer shall be entitled to obtain from his supplier or suppliers, against payment of the price legally exigible, for the publishing and printing of his newspaper or newspapers, at least the quantity of newsprint which such supplier or suppliers sold to him in the month of September 1955.

5. From the sixtieth day after the appointment of the members of the board, the total amount of newsprint required by all consumers under section 4 shall be supplied by all the paper-mills, in accordance with the plan of apportionment prepared by the board, in such proportions as it shall determine for each of them as equitably as possible, taking into account the productive capacity of each paper-mill, the services rendered in the past to consumers by certain producers or suppliers, especially the quantities of newsprint furnished by them under section 4, and any other factor or consideration calculated to ensure a fair and equitable apportionment, among all the paper-mills, of the total quantity of newsprint to be supplied to all consumers.

6. The quantity of newsprint determined by section 4 may be increased for any consumer by order of the board, when it is shown to the board's satisfaction that such quantity has become insufficient for the publication of such consumer's newspaper or newspapers and that the suppliers are physically in a position to deliver more newsprint to such consumer. The board may also reduce such quantity if it is shown to its satisfaction that in consequence of a decrease in the circulation or reduction in the size of the consumer's newspaper or newspapers or of any other circumstance, such consumer requires less newsprint.

The board shall take into account, in the apportionment provided for by section 5, the increase or reduction in the quantity of newsprint effected by this section.

7. Each supplier must deliver, against payment of the price legally exigible, to such consumer or consumers as the board may designate, the quantity of newsprint that the board shall assign, in the plan of apportionment prepared under section 5 or revised under section 23, to the paper-mill or paper-mills operated or represented by such supplier.

8. Any supplier who refuses or neglects to furnish a consumer, against payment of the price legally exigible, with the quantity of newsprint specified in section 4 or which the board orders him to furnish under sections 5, 6 and 7, shall be liable to the consumer for all resultant damages.

Proceedings in recovery of the amount of such damages may be brought by the consumer or, on failure by him so to do within three months of the accrual of his right of action, by the board on the consumer's behalf.

Furthermore the supplier shall be liable, at the suit of the board or of the consumer, for the first offence to a fine of not less than five thousand dollars nor more than fifteen thousand dollars, and for any subsequent offence to a fine of not less than twenty thousand dollars nor more than fifty thousand dollars, in addition to the costs in all cases.

For the purposes of the preceding paragraph, an offence shall be considered a subsequent offence even if it is committed in respect of a consumer other than the one in respect of whom a previous offence was committed.

Proceedings against a supplier for an offence provided for in this section shall not prevent other proceedings from being taken for an offence committed with respect to another consumer. Furthermore, more than one offence against the same supplier may be alleged in the same proceedings, and in such case the penalty provided by this section shall be imposed for each such offence.

Part I only of the Quebec Summary Convictions Act shall apply to penal proceedings taken under this section.

The civil and penal recourses granted by this section shall be prescribed by six months.

DIVISION III
The Newsprint Board

9. A body to regulate the production, sale and distribution of newsprint is constituted under the name of the Newsprint Board, with the powers and functions assigned to it by this act.

Such body shall consist of four members, called controllers, appointed during good behaviour by the Lieutenant-Governor in Council, who shall indicate one of them to act as president and another as vice-president.

The salaries of the president, vice-president and other controllers shall be determined by the Lieutenant-Governor in Council, but shall not be less than ten thousand dollars for the president, nine thousand five hundred dollars for the vice-president and nine thousand dollars for the other controllers.

10. In the case of the inability of a controller to act, the Lieutenant-Governor in Council may appoint a person to replace him temporarily, on such conditions and for such remuneration as he may determine.

11. The provisions of sections 221, 236, 236a, 237, 238, 239, 240, 240a, 241, 242, 242a and 243 of the Courts of Justice Act shall apply to the controllers, **mutatis mutandis.**

The years of service during which a person was a member of the civil service of the Province before he was appointed a member of the board shall count in his favor for the purposes of his pension as controller.

The pensions provided in this section shall be based on the annual salary which was attached to the office of judge of the sessions on the twelfth of November 1952.

12. The corporate seat of the board shall be in the City of Quebec, but it may hold sittings anywhere in the Province.

13. Three members shall constitute a quorum of the board.

The president shall be entitled to vote as a member and shall have a casting vote in the event of an equality of votes.

In the absence of the president from a sitting of the board, the vice-president shall replace him, with the same powers.

14. The Lieutenant-Governor in Council may appoint and assign to the board a secretary, inspectors, investigators and any other employees whose services he deems necessary, and fix their remuneration.

15. No controller may, on pain of forfeiture of his office, have any interest whatever in a paper-mill or a newspaper within the meaning of this act.

Such forfeiture however shall not be incurred if such interest devolves to him by succession or gift, provided that he renounce or dispose of the same forthwith.

16. The board, the controllers and the employees of the board cannot be prosecuted for any official act performed in good

(Continued on page 25)

ANNOUNCEMENT

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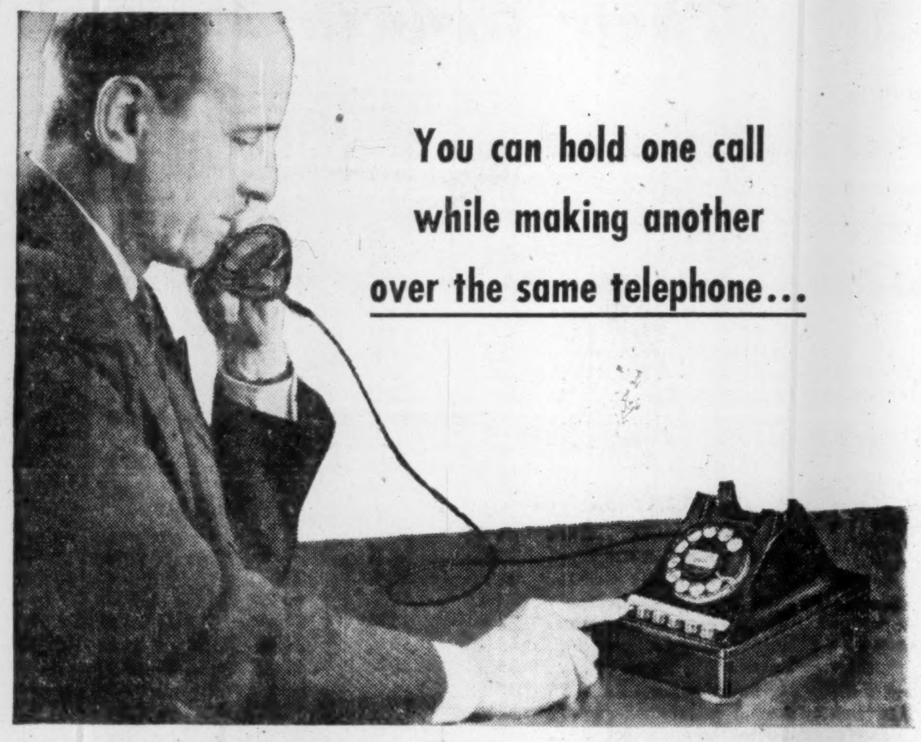

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The Text of Quebec's Newsprint Bill

(Continued from page 24)

faith in the exercise of their functions.

17. Nothwithstanding any legislative provision inconsistent herewith,

(a) the decisions of the board shall be without appeal and cannot be reviewed by the courts;

(b) No writ of **quo warranto,** of **mandamus,** of **certiorari,** of prohibition or injunction shall be issued against the board, or against any member thereof acting in his official capacity;

(c) the provisions of article 50 of the Code of Civil Procedure shall not apply to the board or to its members acting in their official capacity.

18. All the expenses of the board, including the salaries and remuneration of the controllers and of the officers and employees of the board, shall be paid out of a special fund constituted and administered by the board.

To constitute such fund the Lieutenant-Governor in Council, on the recommendation of the board, shall determine by regulation, which may be amended or replaced at any time, the total amount which he deems necessary to ensure the payment of the expenses of the board and the latter shall apportion the same among all the producers in such proportion, for each, as the board deems just and equitable.

Each producer, within fifteen days of the sending, by registered mail, of a notice from the board informing him of the amount for which he is so assessed, must pay the same to the board which shall pay it into the said fund.

The board shall have a right of action against any defaulting producer for the recovery of such assessment.

19. Pending the constitution of the fund provided for in section 18 and the receipt of sufficient assessments to meet the needs of the board, the amounts necessary for such purpose shall be advanced to the board, out of the consolidated revenue fund, by the Minister of Finance. The board shall repay the amount of such advances, gradually or in a single payment, according as funds are available.

20. Each year, on or before the first of October, and also whenever the Minister of Finance shall so require, the board shall furnish him with a report of the state of such fund, the assessments received from producers and the expenses paid out of such fund.

21. The board shall

(a) supervise and ensure the carrying out of the provisions of Divisions II and III of this act and of the regulations made under sections 18 and 24;

(b). make such inspections, audits and investigations as it deems necessary for such purposes or as are required of it by the Lieutenant-Governor in Council or the Minister of Lands and Forests.

It may make rules of practice for its internal government and to determine the procedure to be followed respecting the applications and matters submitted to it.

It shall have power to appear before the courts.

22. For the purposes of the inspections, audits and investigations of the board, the latter, the controllers and the inspectors and investigators of the board shall have all the powers assigned to a commissioner by the Public Inquiry Commission Act.

23. Every consumer, within thirty days after the appointment of the members of the board, shall inform the board of the quantity of newsprint that his supplier or suppliers sold to him in the month of September, 1955 and, if need be, of his needs in excess of or less than such quantity, so that the board may determine the total quantity of newsprint required by the consumers and apportion the same among all the paper-mills, in accordance with sections 5 and 6.

Thereafter the board, if it sees fit according to circumstances, may require the consumers, at such intervals of not less than three months as it sees fit to determine, to inform it of the quantity of newsprint they will need for such periods, of not less than three months, as it may fix, and it may, subject to the provisions of sections 5 and 6, revise, for such periods, the apportionment provided for in the said sections.

24. The Lieutenant-Governor in Council, by regulation consistent with the foregoing provisions, may make any suppletive, interpretative or ancillary provision calculated to ensure the fair and effective carrying out thereof.

The regulations made under this section shall be published in the Quebec Official Gazette. They shall come into force from the date of such publication, unless the Lieutenant-Governor in Council fixes a later date for such purpose, and from their coming into force they shall be deemed to form part of this act.

DIVISION IV
Utilization of forest resources for the benefit of the province

25. Nothwithstanding any legislative provision inconsistent herewith, all wood derived from the public domain of the Province, whatever be the nature of the forest concession on which the right to cut the same is based, must be completely processed in Quebec.

Wood is completely processed within the meaning of this act when it has undergone all the treatments and processes of manufacture and has passed through all the phases of transformation necessary to render it suitable for the use to which it is intended finally to be put, in such manner that the products thereof have acquired the final form in which the merchandise is to be delivered to the consumer.

Pulp or wood-pulp produced by any mechanical, chemical or other process whatever, shall not be considered as wood entirely processed within the meaning of this section.

26. Nevertheless the Lieutenant-Governor in Council may by way of exception, authorize the shipment to another province of Canada of incompletely processed wood derived from the public domain of the Province of Quebec, Whenever he deems it in the interest of the province or of a region thereof, by reason of particular industrial economic or social conditions.

Such authorization shall be given by means of special permits, for such quantity and on such conditions as the Lieutenant-Governor in Council may determine.

27. The Lieutenant - Governor in Council may:

(a) limit, for such periods as he may specify, the quantities of wood that may be cut on the lands of the public domain of the Province which are subject to cutting rights under a forest concession;

(b) oblige any person, firm or corporation operating a forest industry or undertaking in which forest products are used, to make reports respecting the wood cut, the wood processed and the wood that has been transformed in any manner, and determine the form of such reports and the time when they must be filed;

(c) determine the conditions, form and mode of issue of the special permits granted under section 26 and the fees payable on the issue of any such permit;

(d) enact such other provisions consistent with this act as he deems expedient for the application of the provisions of this Division IV.

28. Whosoever violates or attempts to violate or assists in the violation of any provision of this Division IV or of any order made under section 27 or any condition of a permit granted under section 26 is guilty of an offence and liable, for the first offence to a fine of not less than two thousand dollars nor more than five thousand dollars, and for subsequent offence to a fine of not less than ten thousand dollars nor more than fifty thousand dollars, in addition to the costs in all cases.

If the offence is committed by a corporation, such fines shall be increased to thrice the amounts specified in the preceding paragraph.

Without prejudice to the aforesaid penalties, any wood in transit, or of which there is reason to believe that any will be shipped in contravention of section 25 or in violation of the conditions of a permit granted under section 26, may be seized and, on proof of the contravention, shall be confiscated in favor of the Crown.

29. Proceedings resulting from section 28 shall be brought on the authorization of the Attorney-General before a judge of the sessions or a district judge. Part I only of the Quebec Summary Convictions Act shall apply to such proceedings.

DIVISION V
Essential conditions of forest concessions

30. Notwithstanding any legislative provision inconsistent with this section, the provisions of this act and of every order and regulation made thereunder by the Lieutenant-Governor in Council shall be deemed to be essential conditions, **sine qua non,** of every forest concession and to form an integral part thereof, as if they had been expressly incorporated therein.

DIVISION VI
Miscellaneous

31. Division IV of this act shall have effect from and after the 7th of January, 1956.

As regards the matters therein dealt with, the provisions of the said division shall prevail over those of all other acts and of all regulations made under such acts.

32. Chapter 95 of the Revised Statutes, 1941, is repealed.

33. This act shall come into force on the day of its sanction, except Division III which shall come into force on such date as the Lieutenant-Governor in Council may be pleased to fix by proclamation.

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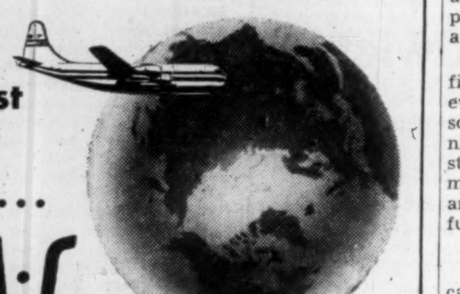

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ANNOUNCEMENT

L. C. McINTOSH

MONTE KWINTER

J. J. Wallace, president, Wallace Publishing Co. Ltd., has announced the appointment of the editorial staff of PRODUCT DESIGN AND MATERIALS, a new business publication covering the important original materials and metalworking fields.

Consulting technical editor of this new, practical design magazine will be L. C. McIntosh, B.A.Sc., M.S., A.C.I.D., P.Eng., a mechanical engineer and a graduate in design engineering.

Mr. McIntosh graduated from the University of Toronto in 1948. After working for three years with the George Parkins Company he received a National Industrial Design Council scholarship to the Illinois Institute of Technology in Chicago, from which he was graduated as a design engineer. During this period he completed work for his Master's degree in engineering. He is currently engaged in a private consulting design business and is doing part-time industrial design work for such firms as Massey-Harris-Ferguson Ltd. in Toronto, and Gurney Products Ltd. in Montreal.

As managing editor of PRODUCT DESIGN AND MATERIALS, Mr. Wallace has appointed Monte Kwiater, A.O.C.A., a 1954 graduate of the Industrial Design Department of the Ontario College of Art.

He has been employed since that time as a product designer in the Sales Development section of Dunlop Canada Ltd. He took leave-of-absence last summer on being awarded a scholarship by the National Industrial Design Council for post-graduate study at the University of Syracuse. His work at Dunlop Canada Ltd. has consisted largely in design and marketing of furniture and furniture cushioning.

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Calgary Shops Open Nights

From Our Own Correspondent

CALGARY — Several food, appliance and TV stores opened their doors to night-time shoppers for the first time since 1917 here this week following repeal of the city's early closing bylaw by city council last week.

The repeal, on a motion first presented to council last November, climaxed a month-long battle between consumers and retailers which included two major polls and heated debate during council sessions.

One questionnaire was sent out by the Calgary Chamber of Commerce to some 1,000 city merchants and showed more than 80% of the 556 responses in favor of retaining the closing law. The other survey, sponsored by City Alderman J. D. Macdonald, indicated a 2-1 majority of 32,000 Calgary residents reached by telephone were in favor of night shopping.

Following council discussion of the merits of the two polls, the vote was 7-4 in favor of repeal.

Three days after the council vote, several chain store outlets started one - night - a - week late openings. Store officials said they are satisfied with results and plan to make it a regular feature. Several TV and appliance stores have also tried night openings. Other merchants queried said they plan to wait until first results are available and may open evenings if competition or consumer response indicate it is worthwhile and adequate staff arrangements can be made. Spokesmen for the large department stores said they plan no night opening at the present time.

With the repeal of the city bylaw, the only law governing store hours in the city is the Federal Lord's Day Act which prohibits Sunday openings for most stores.

Penmans Holders Approve Split

MONTREAL (Staff) — Shareholders of Penmans Ltd. recently approved a 3-for-1 split of the company's common stock which brings the number of outstanding shares to 193,554, and the number authorized to 225,000.

Company also declared a dividend of 30c per share on the new common stock. It is payable Feb. 15, 1956, to shareholders of record January 16. The company paid $3 per common share annually on the old common.

A company spokesman said no expansion program is contemplated. Business is better and there is a larger backlog of orders than last year. Competition remains keen.

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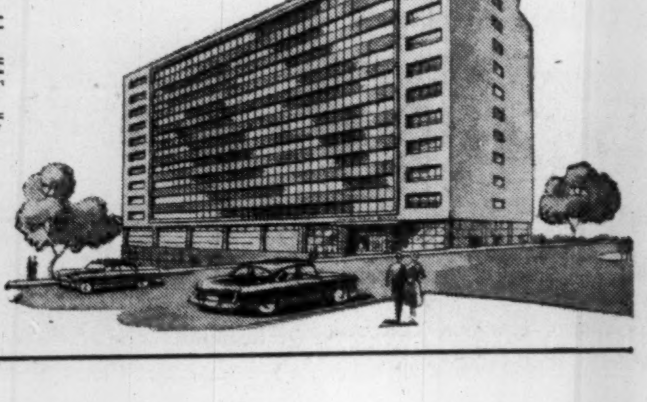

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ANNOUNCEMENT

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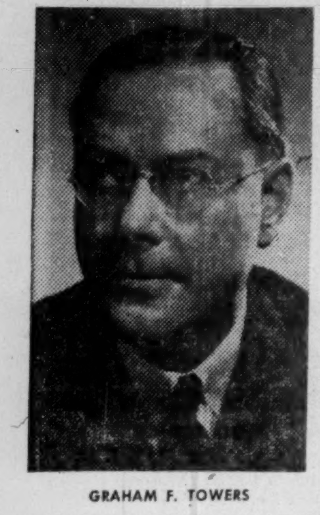

GRAHAM F. TOWERS

who has been elected a Director of Moore Corporation, Limited.

What Price On Leadership?

A Look at Executive Salaries and Bonus Plans

What price to place on leadership? How to compensate for skills of planning, decision-making and business guidance? These are vital questions to the men who direct Canadian business and some of the answers have been brought to light by F. R. Manuel, vice-president of Stevenson & Kellogg Ltd. Here is a digest of an executive salary review given to the Toronto Control of the Controllers' Institute.

By F. R. MANUEL

The search for key personnel poses the problems of how to attract new, capable men and how to provide satisfaction to those hat we have. Financial compensation is not the whole answer but it is a mighty potent part.

We, in this country, lack adequate facts to deal intelligently with our own problems of executive compensation. On the other hand, considerable analysis and research has been carried out in the United States. The patterns and the relationships that are thus revealed are very valuable tc us, here, as patterns and relationships — but not as directly transferable data. The U.S. studies are based on companies that to us are huge enterprises; furthermore, our salary standards are appreciably different. Therefore, we must be conscious of the limitations of the information.

Over the years, the recognition and the status of the executive has gone through change and growth. In the early years of this century executives were looked on as "hired help" and were paid within that general concept. A survey of salaries paid the ranking executives of 400 manufacturing companies in the 10 years prior to 1914, disclosed a yearly average of just under $10,000. By the early 20s, one of two incomes had reached the $100,000 level and 1928 and 1929 saw annual earnings in excess of $1 million. The "hired help" had now become "professional executives."

As you would suspect, the two most significant factors bearing on executive compensation are the type of business or industry and the size of the corporation.

Bonus Plans

Surveys show that there is an increasing trend toward supplementing basic salaries with bonus plans in one form or another. Dean H. Rosensteel, director of the AMA Executive Compensation Service reports that about 45% of the companies in a survey have some form of bonus or incentive plan for middle and top management positions. He further adds that if one eliminates financial institutions and utilities where bonus plans are rare, that the proportion is over 60%. The average bonus for top-level executives is approximately 50% of the salary. However, this does not imply any uniformity between companies because the range of bonuses when related to salaries is from a low of 5% to a high of 300%.

There is one aspect of executive compensation that we can be quite sure is as true in Canada as in the United States. The "bite" of personal income taxes is formidable no matter where you look at it.

In purchasing power the hourly rated and white collar clerical show a small gain of 3% between 1939 and 1950, the bottom level of supervision (that is, foremen and equivalent), had a loss of 13%; middle management dropped by 40%, and the very top group f management personnel regressed 59% in its purchasing power.

As an executive incentive to enable capital gains in a rising market, plans for stock options and stock purchases have become more widespread. A desire to spread the tax burden over more years and at lower rates has prompted the use of contingent deferred compensation plans.

Retirement plans are being enriched to provide greater security and to substitute to some extent for the reduced possibilities of personal savings out of current earnings. Executive expense allowances are sometimes made a bit more liberal to ease some of the pressure. However, the most direct offset to personal taxes is the "tax-free" plan, whereby the incumbent is given a portion of his income on a "net" basis with the company paying additionally an amount to equal the personal income tax.

All such supplementary income plans if carried too far, give to the selected group a preferential demand on the company's earnings and its surplus, or place a "mortgage" on the company's future. Carried to extremes, they can provide quite undesirable labor and public relations.

"Bench Marks"

In the matter of payment to their employees, companies have no universal or absolute values of measurement. We are forced to use a set of comparative and ever-changing values. Hourly rates are established by negotiation and compromise. They, in turn, have an effect on supervisory, clerical and technical salaries. It is the policy of most companies under this circumstance to retain their relative position within their community and within their industry.

Executive compensation exists within the same general framework. However, because of the reluctance to disclose and exchange earnings information at this level, directors and top management have very scanty data. As a result there are much wider variations and apparent inconsistencies in payments to executives.

A danger of salary surveys, executive compensation surveys in particular, is that the relationship between positions may be followed too literally. Because a survey shows that the earnings of controllers average 25% of the presidents', that is not adequate evidence in itself that your company should adopt the same relationship. Maybe it should be 50% — or 15%.

Though broad, general surveys are very useful as external indications of "going rates" for the senior positions in a company, the internal relationship within the company is equally important when determining the structure for a particular situation. There are three recognizable patterns in the compensation ratios between the chief executive and his subordinates.

Patterns

—Pattern A: President at 100%; executive vice-president, 70%; vice-president in charge of operations, 50% (or, general manager); vice-president in charge of sales, 35%; the remaining division or department heads range between 20% and 25% of the president's salary.

—Pattern B: Shows a much wider gap between the president and the next highest, thus: president at 100%; vice-president in charge of sales, 52%; vice-president in charge of manufacturing, 50%; vice-president in charge of purchasing, 50%; treasurer and comptroller, 48%; four senior officers under the president have compensations that are twice to two and one-half times that of the remainder which range between 20% and 25%.

—Pattern C: Is one with much finer and more regular steps so that the differential between the president and the next six or seven succeeding executives descend in steps of 15% or 20%.

In Canada, our experience indicates that A and B patterns prevail in manufacturing corporations. Of the members of the Canadian Manufacturers' Association 78% employ 100 persons or less. It is not surprising, then, in an economy of "small" companies to find that the chief executive has earnings well in excess of his subordinates. Even in companies of several hundred employees leadership and control, significant long-range planning and policy decisions are frequently carried by one man. It is to be expected that his compensation might be half as great agair or twice that of the next highest salaries.

However, such a relationship, though it be a fact, is not necessarily a sound one. Shared experience and direction of an enterprise can stimulate growth and expansion; it develops stronger and broader executives to minimize the problems of succession.

Here is the report of a recent research project:

"If the top executive in a company gets a salary several times as large as the salaries paid to the Number Two, Three and Four men, you can be pretty sure that firm is badly managed. But if the salary levels of the four or five men at the head of the ladder are all close together, then the performance and morale of the entire management group is likely to be high.

"The size of the salaries doesn't seem to make much difference. Whether the president of the corporation gets $20,000 a year or $100,000 isn't important — so long as his vice-presidents get something like 75% to 90% as much. But when the president pulls down $100,000 and his main subordinates get only $50,000 to $25,000, it is time to look for trouble."

An analysis of 37 corporations having 20,000 or more employees each showed a fairly consistent relationship of one policy — making one executive for every 1,000 employees. The top management proportion is .01% of the total employee body. Further, it was found that there are very close to nine operating executives per 1,000 employees backing up each policy-making official — percentagewise 0.9%. Thus, top management plus middle management

(Continued on page 29)

CITY OF LONDON

Tender for Debentures

Sealed tenders addressed to The Treasurer, Corporation of the City of London, Ontario, marked: "Tender for Debentures" will be received up to four o'clock P.M., Monday, February 6, 1956, for the purchase of—

$59,000.00—3¼% Serial Instalment Debentures dated December 31, 1954, maturing December 31, 1956 to December 31, 1964, issued under by-law No. D-136-40, to defray the cost of the erection of a Police Garage Building.

$126,000.00—3¼% Serial Instalment Debentures dated December 31, 1954, maturing December 31, 1956 to December 31, 1974, issued under by-law No. D-137-78, to defray the cost of constructing Storm Sewers.

$92,000.00—3¼% Serial Instalment Debentures dated June 30, 1955, maturing June 30, 1956 to June 30, 1965, issued under by-law No. D-138-147, to defray the cost of constructing the South Branch Public Library.

$145,000.00—3¼% Serial Instalment Debentures dated June 30, 1955, maturing June 30, 1956 to June 30, 1975, issued under by-law No. D-139-148, to defray the cost of the purchase of a Diesel Locomotive.

The debentures will have the Validation Certificate of The Ontario Municipal Board.

A certified cheque for $15,000.00, payable to The Treasurer, Corporation of the City of London, Ontario, must accompany each tender.

Interest will not be allowed on tender cheque.

Tenders to show an over all price, also to show a break down in price for each by-law.

The right is reserved to reject any or all tenders.

Further particulars may be obtained from the City Treasurer, London, Ontario.

HARRY SING,
City Treasurer.

Treasury Department,
City Hall, London, Ontario,
January 11, 1956.

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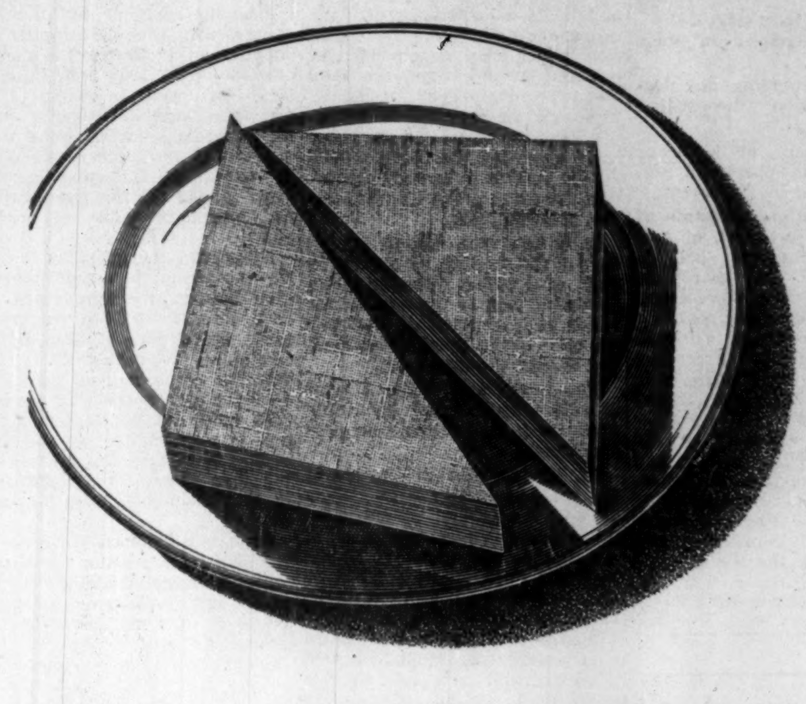

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CARBON PAPER: RCI inorganic chemical pigment colors.

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CHEWING GUM: SYNTHE-COPAL ester gums.

FURNITURE, PLYWOOD, FLOORING, HARDBOARD AND CHIPBOARD: HYDROPHEN phenolic glues; PLYACIEN protein glues; PLYAMINE urea-formaldehyde glues; PLYAMUL polyvinyl acetate adhesives; PLYOPHEN phenolic and resorcinol-formaldehyde glues.

LEATHER: BECKOSOL alkyd resins (for leather finishes); PLYOPHEN resorcinol-formaldehyde resins, SUPER-BECKACITE pure phenolic resins, SYNTHECOPAL ester gums (for leather adhesives).

LINOLEUM: BECKOSOL alkyd resins and PENTACITE pentaerythritol resins (for linoleum coatings); RCI inorganic chemical pigment colors.

PAINTS, VARNISHES AND LACQUERS: BECKACITE (1) fumaric, (2) maleic and (3) modified phenolic resins; BECKAMINE urea-formaldehyde resins; BECKOLIN synthetic oils; BECKOPOL modified phenolic resins; BECKOSOL (1) phenolated, (2) phthalic-free, (3) rosin modified, (4) pure drying and (5) pure non-drying alkyd resins; KOPOL processed Congo copals; PENTACITE pentaerythritol resins; STYRESOL styrenated alkyd resins; SUPER-BECKACITE pure phenolic resins; SYNTHE-COPAL ester gums; WALLKYD pure drying alkyd resins (for alkyd flat wall vehicles); WALLPOL polyvinyl acetate emulsions (for latex flat wall coatings); RCI inorganic chemical pigment colors.

PAPER: BECKAMINE urea-formaldehyde resins (for adding wet strength, improving the wet rub of starch-clay coatings, and waterproofing starch adhesives); RCI inorganic chemical pigment colors (for paper coloring); STYRESOL styrenated alkyd resins (for paper coating).

RUBBER SUNDRIES PENTACITE pentaerythritol resins); SUPER-BECKACITE pure phenolic resins; SYNTHE-COPAL ester gums (for rubber adhesives).

SANDPAPER: PLYOPHEN resorcinol-formaldehyde glues.

WAXES AND POLISHES: BECKACITE modified phenolic and maleic resins; SUPER-BECKACITE pure phenolic resins; SYNTHE-COPAL ester gums.

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Can This Scheme Thaw Arctic and Cold War?

(Special Correspondence)

Russian scientists are hatching a bold scheme to build a dam across the Bering Strait between Siberia and Alaska.

They want to pump warm Pacific water into the Arctic Ocean and transform the icy north coasts of Asia, America and Europe into blossoming landscapes, making human and vegetable life possible in these frozen regions.

The plan, being worked out by the Soviet Academy of Sciences, is to involve creation of an artificial Gulf Stream driven by a two million kilowatt atomic power station. Each year it will carry heat energy estimated to equal that of ten billion tons of gasoline.

The Russians maintain that the idea is feasible, for although the Strait is 55 miles wide, it is no more than 200 ft. deep.

The project bristles with implications. Economically, a temperate climate would give access to the unexploited natural wealth now beneath the ice. Geographically, a land path linking the two continents would make possible direct road or rail communication between the U.S.S.R., China, Canada and the U. S.

Politically the plan may be a master stroke. Construction and operation of the dam and pumping station are conceived as a joint Soviet-American undertaking.

This, plus the creation of a physical bond between the two countries, would give both a vested interest in "peaceful coexistence."

The cold-war thaw would be self-perpetuating. Once the system was working, any failure to maintain it would freeze out the reclaimed territories of the defaulting side as well as the other's.

I.A.C. Proposes Capital Increase

MONTREAL (Staff) — A special general meeting of shareholders of Industrial Acceptance Corp. will be held January 16 to consider creation of 100,000 new 4½% cumulative redeemable preferred shares, $50 par. The plan would mean an extra $5 millions in equity capital.

"The provision for additional equity capital takes into account the higher amount of receivables now outstanding in comparison with a year ago, as well as the expectation that your company will purchase a somewhat greater volume of receivables during the current year, chiefly because of its expanded branch operation," said the President G. E. Wemp in a letter to shareholders.

Directors have approved the plan, and propose to offer the shares publicly through underwriters. The present preferred consists of $10 millions of 4½% cumulative redeemable stock, $100 par.

Record date for shareholders entitled to vote is Dec. 31, 1955. Industrial Acceptance recently sold a new issue of $6 millions of 4½% series P secured notes privately to large investors.

ABOUT YOUR TAXES

How To Trim Your Taxes Without Cheating Ottawa

OTTAWA (Staff) — Canadians may not enjoy the wide variety of exemptions and alternatives open to U. S. taxpayers, but they can often save money on income taxes by using a little care. Here are a few pointers that may trim dollars from your tax bill, legally, and make the tax collector's job easier at the same time:

* * *

Fill out your tax return carefully. The form used by most Canadians is relatively simple — as tax forms go — but it's still possible to overlook some of its provisions, by going too fast or by failing to read everything. The provisions you miss may be the ones that would have helped you.

Medical expenses which are over 3% of your net income may be deducted, up to certain top limits. This includes doctors', nurses' and dentists' fees, and hospital bills.

If you're hospitalized while covered by hospitalization insurance, the total amount of your hospital bill is regarded as a medical expense even though you may have paid none of it. Be sure to get a receipted hospital bill from the insurance company, as evidence.

It's also essential to save receipts for fees paid to doctors, dentists and nurses.

Also obtain receipts for any money you spend on these five drugs: insulin, cortisone, ACTH, liver extract injectible for pernicious anaemia, and vitamin B-12 for pernicious anaemia. If they are prescribed by a physician, they are a deductible medical expense.

Cost of a hearing aid or a wheel chair may be treated as a medical expense. If you are confined to a wheel chair or a bed for the full year, you may include as a medical expense any remuneration you pay to a full-time attendant. This attendant need not be a registered nurse, and may even be a member of your family.

Here's a point frequently overlooked: Medical expenses need not have been paid during the calendar year. On your 1955 tax return, for instance, you are entitled to select any 12-month period ending during 1955, and treat all your medical expenses paid during that period as your 1955 expenses. Incidentally, it is the date on which the liability is paid — not when it's incurred — that must be taken into account.

If you paid any deductible medical expenses late in 1955, and should you be unfortunate enough to incur more during 1956, remember that these may be combined when you calculate your 1956 income tax if they fall within a 12-month period.

Certain forms of income are tax-exempt. These include family allowances, unemployment insurance benefits, workmen's compensation, war disability pensions, proceeds of almost all types of insurance (including dividends on life insurance), and most of the proceeds of government annuities.

Old age pensions, however, are subject to income tax. But remember to claim an extra $500 exemption if you were 65 or over in 1955.

If you acquired a wife, or a family and obstetrician's fees, at any time during 1955 — even as late as New Year's Eve — they are considered to be your dependents for the full year, and you may claim the full dependent's allowance.

* * *

Remember to save your receipts for all your charitable contributions; they are deductible from your taxable income, but only if you can produce proof. If you haven't been in the habit of saving receipts, this would be a good time to decide upon a place to keep them, so they will be available next year.

The tax collector is not authorized to accept your word for such things as your donations in the collection plate at church. Some clergymen will issue receipts if you can tell them how much you have contributed to the church in this way, but it's considered preferable to use numbered envelopes for such donations.

* * *

If you have investment income, don't forget to claim 20% of the net dividends you receive from taxable Canadian corporations. Remember, too, that you are entitled to a depletion allowance of up to 20% on income received from a mining stock, or even from a company such as Canadian Pacific Railway which derives much of its income from Consolidated Mining & Smelting. The exact percentage of the depletion allowance which is applicable to any particular stock is governed by the proportion of the company's income which is gained through mining (or oil production).

* * *

If you borrow money to buy a dividend-paying stock, you may deduct the interest charges on the loan from the taxable income you receive on the stock.

* * *

If you are required to use a car on business and are entitled to deduct all or a proportion of the operating expenses and depreciation from your taxable income, remember to keep records and obtain receipts for everything you spend on its upkeep. Not only gas and oil, but such necessary expenses as licenses, insurance, parking and washing would appear to be legitimate items of expense.

* * *

These are just some of the ways in which personal tax liability can often be reduced. Each case is different, and each taxpayer should take the time and effort to ascertain that he is not paying more taxes than he must.

Information can be had for the asking, at any of the taxation offices across Canada. Occasionally they make mistakes, but the Government's tax agents generally want you to pay neither more nor less than you are required to pay by law.

ONE typing...
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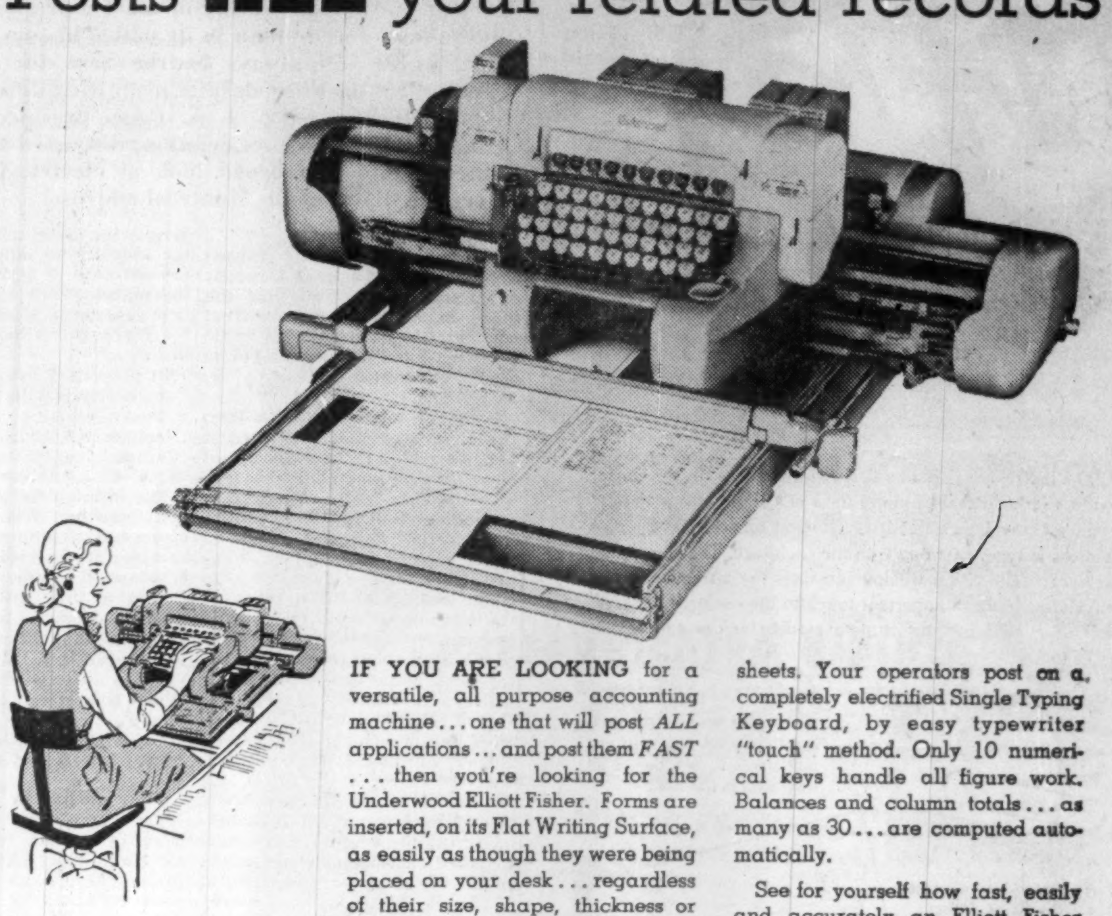

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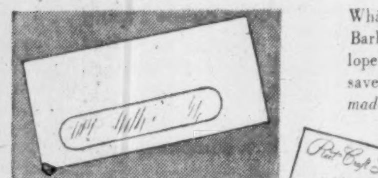

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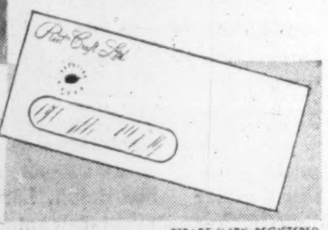

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This Makes Canada A Have Nation

Here's A Look at the Present, Future of Electric Power

Canada now ranks second in the world in per capita use of electricity . . . at the present rate of growth the industry will construct more new plants in the next decade than in its entire history . . . low-cost power will always be the base for Canada's competitive position, despite promising development in the nuclear field. J. A. Pagé, president of the Canadian Electrical Association, discussed these and other points in a broad look at electrical Canada. Here is a digest of his Montreal address:

By J. A. PAGÉ

Keeping pace with the expansion of industrial activity throughout Canada and also with the increasing demand for power from commercial, farm and domestic sources, construction of power plants proceeded vigorously in 1955.

Although somewhat lower than the average increase registered in the last five years, 839,630 hp. of new capacity was added in 1955 to the total of hydro-electric generating stations in the country. Construction also was active on a number of other projects, comprising about one million hp. to come into operation in each of the years 1956 and 1957, while preliminary construction or planning covers about four million hp. for later years. Greatest single addition to capacity in 1955 was that of 525,000 hp. at the Sir Adam Beck-Niagara Generating Station No. 2 of the Ontario Hydro-Electric Power Commission, the remainder of the increase being in smaller projects well distributed across the country. The total installed capacity of water-power plants in Canada is now listed at 17,531,536 hp. which, however, represents only about 27% of total resources and compares to eight million hp. in 1939.

In addition to hydro-electric development, the building of new thermal-electric plants and extensions is proceeded at a good rate. In the field of power distribution, new main transmission lines were completed or were under construction, substation capacity was increased, and rural distribution lines were extended in many parts of the country.

It is interesting to note that, despite the phenomenal growth of the industry to date, should the present rate of growth continue the industry will construct more new generating plants in the next ten years than it has in its entire history.

In per capita use of electricity, Canada stands with the leaders as is shown below:

Norway ..	6,500 kwhrs per capita
Canada ..	4,925 kwhrs per capita
U. S. A...	3,244 kwhrs per capita

The demand for power in Canada, between 1950 and 1954 increased at an annual rate of 7.5% and the forecast to 1958 is that a rate of 7% will continue.

CEA and Bureau of Statistics predict demand for power in Canada will expand to 14.5 million kilowatts in 1958. An increase in peak load of 30% over 1954 which was 33% higher than 1950 figures.

Gross capability in 1958 is expected to reach 16.4 million kilowatts.

The production of electrical energy by Central Electric Stations in Canada reached a new all time high during 1955; the preliminary estimate gives the figure as about 72 thousand million kilowatthours, with the indication that the nation is maintaining her position as the fourth largest energy producing country in the world following the United States, Soviet Union and the United Kingdom. The production of 72 billion kilowatthours in Canada during 1955 meant an increase of about 9% over the 1954 figure; a rise of 72% in ten years from 1946 and since 1939 an increase of 157%.

Seventy Per Cent of Farms

In total about 4.3 million customers are now receiving electric service as compared to 1,940,000 in 1939. Of the estimated 630,000 occupied farm dwellings in Canada, about 70% of the farms were receiving electric service at the end of 1955.

Ninety-two percent of Canadian households are now receiving electric service. The average annual consumption per residential customer during 1954 was approximately 3,150 kwhrs per annum as compared to 1,423 kwhrs in 1939 and probably reached 3,300 kwhrs in 1955.

According to a reliable authority 50% of our dwellings are 30 years and 67% are over 20 years old. Certainly they are not wired properly to handle today's appliances.

The number of services in the homes has jumped from 19 in 1930 to 54 today.

There is at present a concerted effort on the part of all sections of the industry to promote adequate wiring not only of new buildings, but also of the old ones both residential and commercial. Thousands are unable to enjoy the improved facilities for electrical living because of improper wiring.

The purchaser overlooks too often the wiring in his new house being more interested in a picture window or modern kitchen cabinets than safe and adequate wiring. The housewife seems unaware of the fact that poor electric wiring means poor living until she tries to operate some of the newer appliances.

Appliances Steady

In serving an economy which has resumed its pattern of expansion, production of manufactured goods by Canada's electrical manufacturing industry approached the billion-dollar mark in 1955 for the first time in the industry's 63-year history.

Preliminary estimates indicate output by the industry in 1955 will reach a value of $975 millions, an increase of 13% over 1954. In 1954, at $864 millions, industry output advanced only 2%.

In the major appliance field, the Canadian market has now fully caught up on the backlog of deferred demand from wartime conditions and the accelerated post-war family formations. It is expected that today's production levels of major appliances will hold rather steady over the next two or three years.

Electrical appliances have eased the burdens of the Canadian housewife. Seventy-eight per cent of our Canadian homes have refrigerators, 50% have vacuum cleaners, 96% have radios, 83% have washers and 25% have television.

In farming operations electricity has done much to lift burdens from the farmer's shoulders. He now has a wide range of electrical equipment available to him to assist in his farming operations such as freezers, water systems, welders, milkers and milk coolers, electric fences, a variety of machine tools, milk pasteurizers, battery chargers, poultry brooders, paint sprayers and so on, not to mention lighting in the farm home, barns and yards.

Atomic power has raised considerable speculation as to the role it will play in providing for Canada's future energy requirements. With the rapid developments under way in Canada, the United Kingdom and in the United States, it now appears that the question is now not "if" we have atomic power but "how soon." The technical progress and design of atomic power plants is well advanced but the economic aspects are not sufficiently known and will not be known until such time as one or more atomic power plants are actually built. It is expected that the atomic power plant will cost considerably more to build than would a conventional steam power plant and from that point of view would seem to have particular application in those areas where fuel costs are relatively high.

Research Progress

Many engineering problems involving improvement in burn-up of nuclear fuel before reprocessing, extraction of heat at higher temperatures to increase the thermal efficiency and chemical processing of irradiated fuel elements, still need solution to reduce the costs to be competitive with present coal-fired boilers.

The NRX reactor at Chalk River has better facilities for making many of these tests and investigations than any other known reactor.

Progress on the construction of the new NRU reactor has been such that it is expected to be in operation late in 1956. This will be the finest reactor in the world for experimental investigations, particularly for the solution of problems in the design of large nuclear power units.

The Canadian reactor, now known as the NPD, is being designed to produce 20,000 kw of electric power.

Though this small plant is not likely to produce power at a cost competitive with a large coal-fired plant, it is expected to gain from its construction, cost and operating experience, sufficient engineering knowledge to produce larger units which will be competitive. The NPD reactor is expected to be in operation in 1958.

In order to keep the Canadian utilities abreast of developments in this new field, an advisory committee on atomic power was established in 1954. On this committee are represented most of the Canadian power producers. Since it is also desirable to keep the Canadian manufacturer fully informed about power reactor development, the program at Chalk River has been planned to provide for the broadest possible participation of the manufacturer. For example, over 100 Canadian manufacturers have been engaged in the manufacture of components of special design for the NRU reactor.

Ready To Help

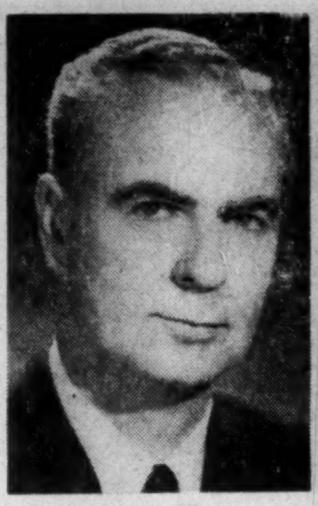
Though Atomic Energy of Canada Limited is not itself established to design and build commercial power plants, it is prepared, with its information and facilities, to assist industry to construct power units. Its purpose is that of gaining new information which will keep Canada in the forefront of this new field of knowledge.

What broad conclusions are reasonable to make about the nuclear field at this time? The solid base for Canada's competitive position in the world will always be low-cost **hydro-electric** power. It is not expected that development in nuclear science will make obsolete any efficient water power developments, now in operation or being planned.

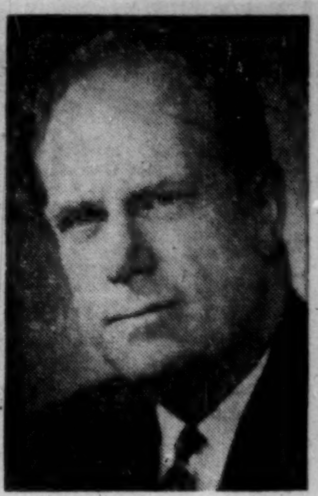
We are still in the pioneer stage of nuclear power development and the evolution of its technology is slow and a definite answer on the economics of nuclear power reactors will doubtless have to wait until reactors of different types have been tried out over a number of years.

Considerable time is required, thereafter, for a new energy source to pick up a substantial fraction of the nation's requirements. In Canada, this should coincide nicely with the time when our water power is approaching full development.

ANNOUNCEMENT



H. W. MULHOLLAND



ALEXANDER CAMPBELL

Mr. W. Ross MacKenzie, Chairman of the Board and President of Western Canada Breweries Limited, announces the appointments effective January 1 of Mr. H. W. Mulholland as Executive Vice-President and Mr. Alexander Campbell, C.A., as Vice-President, Finance.

Mr. Mulholland, who has been associated with the company for fifteen years, will also continue to act as General Manager of the company, and retains his position as President of Vancouver Breweries, Limited.

Mr. Campbell has been Treasurer of the company for the past five years, and will retain that position while serving in his new capacity.

Western Canada Breweries Limited and its subsidiaries operate The Drewrys Manitoba Division in Winnipeg, Drewrys Saskatchewan Division in Saskatoon, The Carling Breweries (Regina) Limited in Regina, The Carling Breweries (Alberta) Limited in Red Deer, and Vancouver Breweries, Limited in Vancouver.

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RESOURCES

Cash and Due from Banks		$1,943,005,885
U. S. Government Obligations		1,230,522,456
State, Municipal and Other Securities		486,375,921
Mortgages		141,424,492
Loans		3,510,002,858
Accrued Interest Receivable		17,371,591
Customers' Acceptance Liability		101,261,850
Banking Houses		58,980,360
Other Assets		20,302,191
		$7,509,247,604

LIABILITIES

Deposits		$6,789,358,288
Foreign Funds Borrowed		3,524,458
Reserve for Taxes		25,029,538
Other Liabilities		49,938,774
Acceptances Outstanding	$111,961,923	
Less: In Portfolio	4,583,474	107,378,449
General Reserve for Securities		7,584,545
Capital Funds:		
Capital Stock	$150,000,000	
(12,000,000 Shares—$12.50 Par)		
Surplus	300,000,000	
Undivided Profits	76,433,552	526,433,552
		$7,509,247,604

United States Government and other securities carried at $407,945,073 were pledged to secure public and trust deposits and for other purposes as required or permitted by law.

Senior Executive Staff

JOHN J. McCLOY
Chairman Board of Directors

J. STEWART BAKER
Chairman Executive Committee and President

PERCY J. EBBOTT
Vice Chairman Board of Directors

GRAHAM B. BLAINE
Vice Chairman

Executive Vice Presidents
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CHARLES CAIN, Jr.
GEORGE CHAMPION
LAWRENCE C. MARSHALL
DAVID ROCKEFELLER

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Vice President and Secretary
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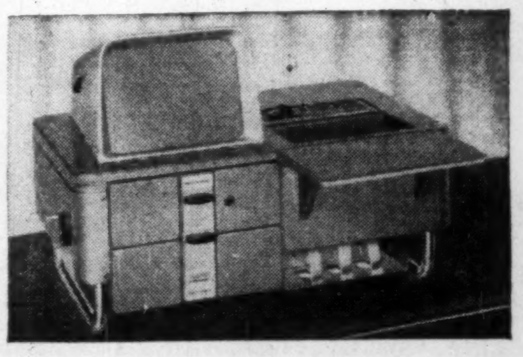
Sure Microfilming is great! But isn't it too expensive for my business?

Not any more!

The Micro-Twin recorder-reader costs less than you'd expect to pay for a recorder alone!



Here is the new microfilming unit that has put the penny back into business!

The Micro-Twin combined recorder-reader gives you a complete microfilm system —*all in one unit*, at less than you'd expect to pay for a recorder alone!

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What Price On Leadership?

(Continued from page 26)

very closely approximates 1.0% of the employee body.

The median compensation of the top .01% in 1950 was 1.2% of the total wages, salaries and bonuses paid by the respective companies. The top 1.0% or the policy - making and operating executives combined, accounted for just over 4% of the total compensation of these companies.

A statistic based on companies of 20,000 or more employees has academic interest only for us. But if we had a "yardstick" in Canada of top management compensation in aggregate we would be able to adjust "our sights."

Executive Incentives

In some organizations, aside from supplementary benefits, it is the only means of compensation. In other companies, for the senior positions, salary may represent as much as 90% or 95% of total remuneration and vary from there to the point where it is 50% or less.

A thoughtfully designed salary structure can serve as an effective incentive medium. To do so there are, I believe, three basic considerations:

—First, adequate differentials between positions in the normal ladder of promotion to encourage individuals to so develop that they are ready and willing to accept greater responsibilities and to feel that their efforts have been rewarded.

—Secondly, there needs to be a substantial dollar range for each position. Generally, the range should be no less than 35% or 40% and for the senior positions may be as great as 60% or 75%. The range must reflect, and be able to compensate for, the scope of individual initiative and contribution.

—A third desirable requirement, which is not met always, is a courageous administration of a substantial portion of the salary range by the results of constructive performance reviews. Too often, an established range is used up in perfunctory annual salary adjustments; if so, much of the incentive value is lost.

The payment of some form of bonus is a practice which has been adopted by approximately 60% of industry in the United States. There is no comparable proportion known for Canada, but our observations indicate that payment of bonuses is quite widespread in this country also.

The most direct incentive is established when a profit-sharing bonus plan is in effect. The kind of job that is done throughout the year, and from year to year, by the executive group of a company is pretty fairly measured in profits. It is at this level in the organization that profit-sharing plans should be applied. When you spread a profit-sharing plan too broadly, the relationship between effort or application of the worker and profits that come out "at the top" is difficult to establish.

U.S. Takes Five Million Tons Of Peak Newsprint Output

MONTREAL (Staff) — Canadian production of newsprint lived up to advance bookings and went to an all-time high of 6,190,647 tons in 1955, up 3.4% from 5,984,207 tons produced last year.

The Newsprint Association of Canada says production in December amounted to 520,024 tons, up 4% from the previous year and slightly lower than the 541,717 tons produced the previous month.

The continued strong demand, which in some cases exceeds supply, was reflected in mill stocks which amounted to 80,000 tons at the end of the year compared to 124,990 tons of the same time last year. This was the lowest level for many years.

One reason for the sharp drop was the pressure of customers for newsprint which virtually meant that it was being delivered the day it was produced. There was not the same demand at this time last year.

Total shipments to all markets in 1955 amounted to 6,235,557 tons, up 4.4% from 5,970,461 tons the previous year. This was a reflection of the increased capacity which came into operation during the year and also the reduction in mill stocks.

The pressure of U. S. demand which takes about 77% of Canada's total output was again demonstrated in December when 450,087 tons were shipped there. This was 10.5% higher than the previous December. On the year, the increase was 4% from the previous year, amounting to 5,070,211 tons against 4,875,031 tons.

Shipments to the Canadian market were up 9.7% in December and totalled 38,974 tons. For the year, they were up 2.3% at 430,444 tons against 420,896 tons.

Shipments abroad jumped 8.9% to 734,903 tons in 1955 against 674,534 tons last year. There was some leveling off in December when shipments abroad amounted to 65,060 tons, up 2.9% from the previous year.

A large part of the increase was to the United Kingdom, which took an additional 50,000 tons in 1955 under contract. They will take a further 50,000 tons in 1956, which will bring the increase in this market alone to 100,000 tons over the past two years.

One of the brighter aspects in the supply-demand picture was a cutback in U. S. consumption in December. It amounted to 551,603 tons, 2.8% higher than the previous year but a sharp levelling off from the November increase of 9.9%. However, for the year total U. S. consumption amounted to 6,638,149 tons, up 7.7%. One factor, of course, in the lower U. S. December consumption was the strike in Detroit newspapers.

U. S. consumers' stocks took on a firmer tone. They amounted to 664,855 tons at Dec. 31, 1955, compared with 621,570 tons the previous month and 721,594 at the end of 1954.

In part, the increase is because of a normal fall off in advertising in the latter part of December. It also reflected the extra tonnage which was found by the Newsprint Service Bureau in the U. S. One company was said not reporting its tonnage. It also reflected the Detroit strike.

However, it was still at the low level of 40 days supply compared with 44 days the prevous year — and there were complaints then it was too low — against 33 days the previous month.

U. S. production was up a sharp 17.5% in December at 131,887 tons. Total output in the year was 1,552,294 tons or 28.2% higher than the previous year. New capacity in the year was the big factor behind this boost.

DOMINION OFFICE SUPPLY CO., Windsor, has been elected to membership in Office Furniture Associates of Canada Inc. George A. Stephenson, Dominion's vice-president and director of purchasing, holds the membership. **Office Furniture Associates of Canada** is a non-profit organization which promotes better design and merchandising of office furniture and equipment.

B. C. Socreds Win Vancouver Seat

From Our Own Correspondent

VICTORIA — B.C.'s Social Credit Government won another resounding victory, this time in the populous riding of Vancouver-Centre, and right on the eve of the opening of the 1956 session of the Legislature.

Only 34% of the registered voters went to the polls.

The Social Credit candidate, Leslie Peterson, came way out on top, followed by the Conservative candidate, Douglas Jung, a Canadian of Chinese ancestry; with Mrs. Dorothy Steeves of the C. C. F. in third place. The Labor-Progressive candidate, trailing badly, was nothing more than a nuisance value.

The beating that Mrs. Steeves took was surprising, for Centre was once a C. C. F. stronghold, and Mrs. Steeves, as an MLA was a brilliant debater.

It is a jubilant Premier W. A. C. Bennett, filled with confidence, bursting with energies and plans to expand the economy of B. C., who is meeting the Legislature this year.

His victory in Vancouver-Centre was sweet, but it only enabled him to hold what he already had, for the by-election was caused by the death of an S. C. member.

Much sweeter was his victory in Lillooet riding last September. That by-election was caused when Liberal Gordon Gibson resigned his legislative seat in protest against the Government's forest management policies. Gibson ran again, but was beaten by a Social Crediter.

The lineup in the B. C. House is now: Social Credit, 28; C. C. F., 14; Liberals, four; independents, two —for a total of 48.

The Liberals did not contest Centre when they were unable to get Mayor Fred Hume of Vancouver to run for them.

Canada Iron Will Close Cobourg Plant

MONTREAL (Staff) — Dominion Wheel & Foundries Division plant of Canada Iron Foundries Ltd. at Cobourg, Ont., will close indefinitely March 1, as the result of a re-alignment of company's foundry production facilities. This followed an extensive reorganization over the past several years.

The reorganization involved consolidation of the iron foundry operations formerly carried on by the parent company and three subsidiaries, Dominion Wheel & Foundries Ltd., National Iron Corp. and Gartshore - Thomson Pipe & Foundry Co., under which the subsidiaries became divisions of Canada Iron.

Employment is being offered to as many of the 100 employees as can be absorbed at the Toronto operation.

The company will retain ownership of the Cobourg plant and will utilize it again when additional foundry facilities are required.

Net profit of Canada Iron for 1955 is expected to be higher than $3.38 per share reported for 1954. The company has generally had a good year. One indication is that the annual dividend rate was recently increased from $1.20 to $1.50 per share on the common, with quarterly dividend payable Jan. 3 of 37½c.

Office building for Guy Towers Inc., Montreal
Architects: Greenspoon, Freedlander and Dunne
Consulting Engineer: A. Benjamin
Heating: Dunham Vari-Vac installed by United Plumbing & Heating Co. Ltd.

If YOU had to choose—how would you heat this building?

Obviously, there are several ways in which this new building could have been heated—and heated well, to the satisfaction of building owner and tenants. And it's reasonable to assume that hot water, steam or sub-atmospheric steam heating equipment was considered and discussed by architect, consulting engineer and owner before the final decision was made. Why then, when three types of heating were suitable, was a Dunham Vari-Vac Differential Heating System installed? What features prompted its selection?

Some advantages of heating with sub-atmospheric steam are listed below. Look them over, and you will appreciate the reasons why many large, modern buildings throughout the country—offices, schools, hospitals and apartments—are heated by the Dunham Vari-Vac Differential Heating System.

1. **What about comfort?** A Dunham Vari-Vac System delivers just the required amount of heat, continuously and evenly—with no over-or-under-heating. The heat demand is constantly balanced by the supply. This maintains a consistent indoor temperature, whether the weather outside is the sub-zero cold of mid-winter, or hard to heat chill of Spring or Fall.

The smooth, steady flow of low pressure steam through a Dunham Vari-Vac System eliminates the cracking or thumping noises often found in many other steam systems. Due to lower temperatures there is no charring of dust, and therefore none of the unpleasant odour normally associated with steam heating.

2. **What about operation?** Flexible, fine control (either manual or automatic) is obtained in a Dunham Vari-Vac system by governing both the temperature and the quantity of steam supplied to the radiation. Where size and complexity of the building indicate, modern electronic control equipment is employed.

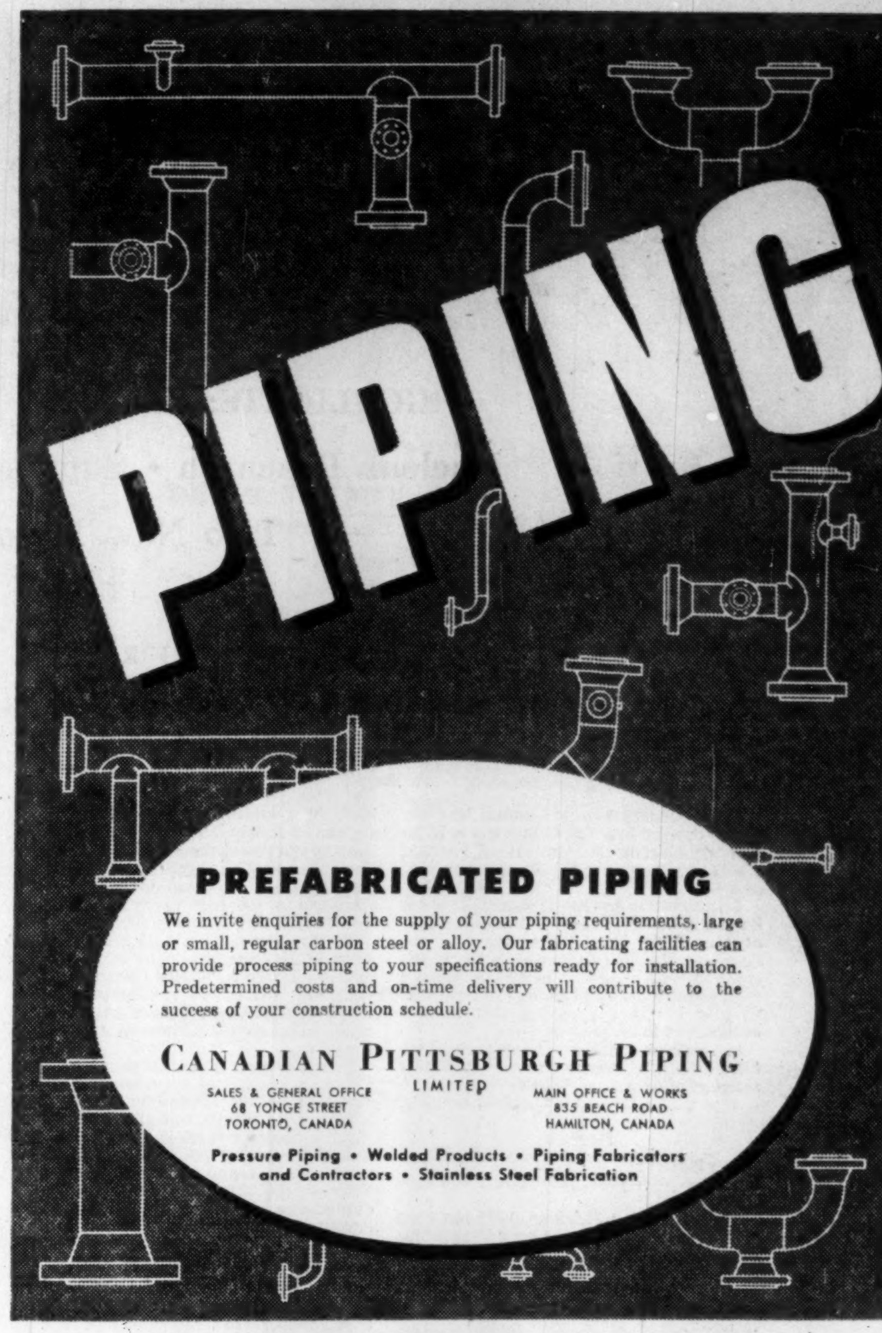
3. **What about maintenance?** The continuous, steady flow of steam in the Vari-Vac System eliminates sudden expansion or contraction which strains piping connections and leads to expensive repairs and service interruptions.

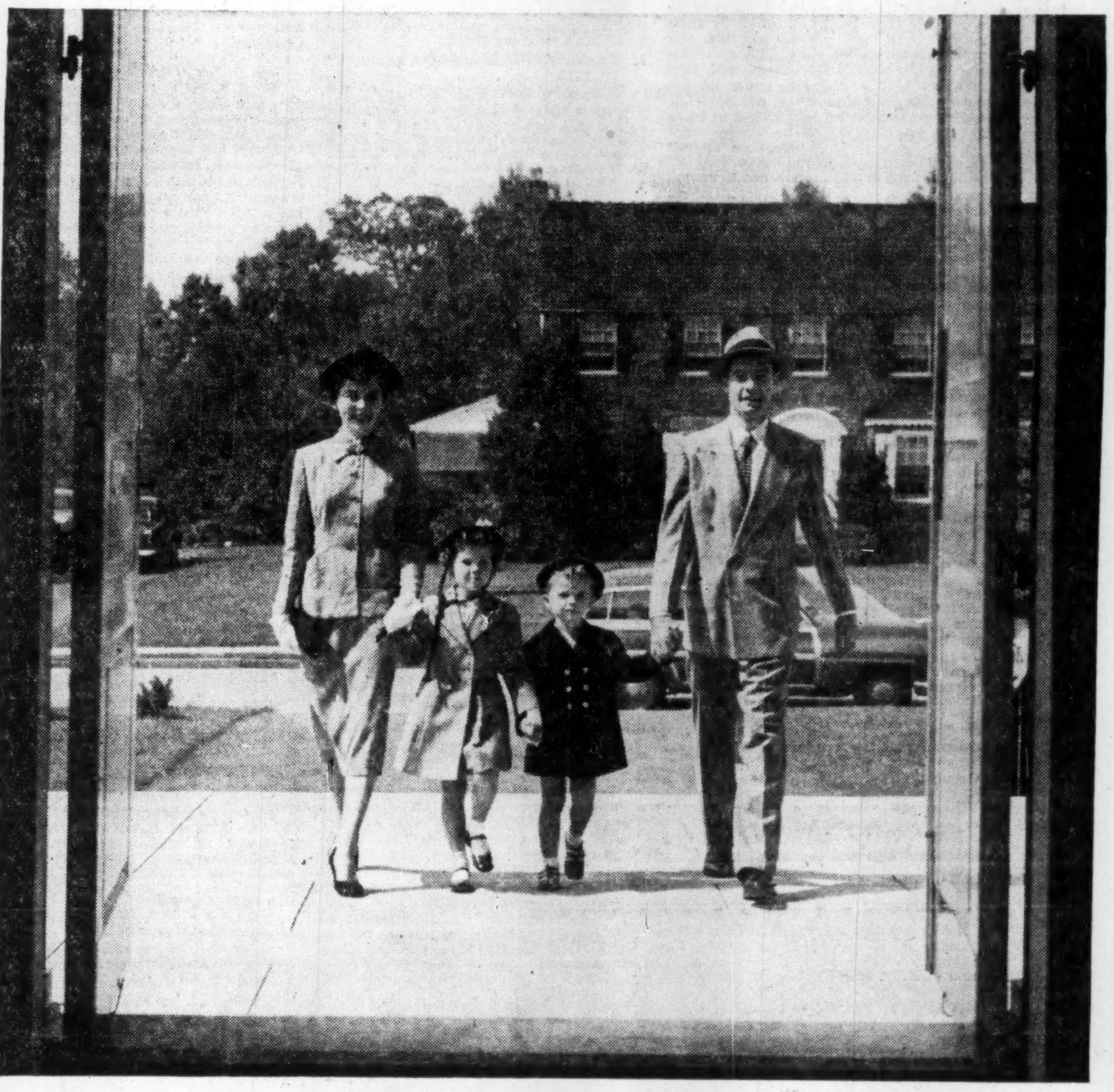
Similarly, the combination of continuous flow and very low pressures places the lightest possible load on traps, valves and fittings. This results in lower maintenance cost and longer life.

4. **What about cost?** The cost of owning and operating a Dunham Vari-Vac System is comparable to, and in most cases lower than, that of either hot water or ordinary steam systems. Using the principle of "cool" steam with no over-running of temperatures, reduced fuel bills are assured.

For more complete information, write for a free copy of "A Quick Briefing on Dunham Vari-Vac".

DUNHAM
FIRST IN SUB-ATMOSPHERIC STEAM HEATING
C. A. DUNHAM COMPANY, LIMITED, TORONTO 15
Sales Offices from Coast to Coast
VARI-VAC DIFFERENTIAL HEATING • CONVECTORS • UNIT HEATERS PUMPS • STEAM SPECIALTIES
5513





Hometown Fashion Parade

Time was when Hometown folk dressed in styles already outmoded in the big cities. Nowadays they want—and buy—the same up-to-the-minute fashions you see in the smart shops of any Metropolitan centre.

In this, as in almost every other aspect of life in Hometown Ontario, the province's 27 local daily newspapers have had a major share in changing tastes and creating the demand for better things.

The unique position of the local daily makes it more than a business, yet too close a neighbour to be an institution. Because it sells the most saleable product in the world—local news—it can help you sell too. It is the *only* way to reach the "billion-dollar-plus" provincial market on the friendly local level; it alone enables you to enlist dealer support right where the sale is made.

You can ring every doorbell on the streets of Hometown Ontario through the local daily newspapers — the greatest media value your national advertising dollar can buy. Ask your Advertising Agency.

143,541,652 lines of advertising were purchased in "Hometown Ontario" daily newspapers during 1954 by local retailers.

All Business is Local

HOMETOWN ONTARIO

That vast market outside Ontario's Metropolitan Areas — sold effectively only by 27 Local Daily Newspapers.

ONTARIO PROVINCIAL DAILIES ASSOCIATION

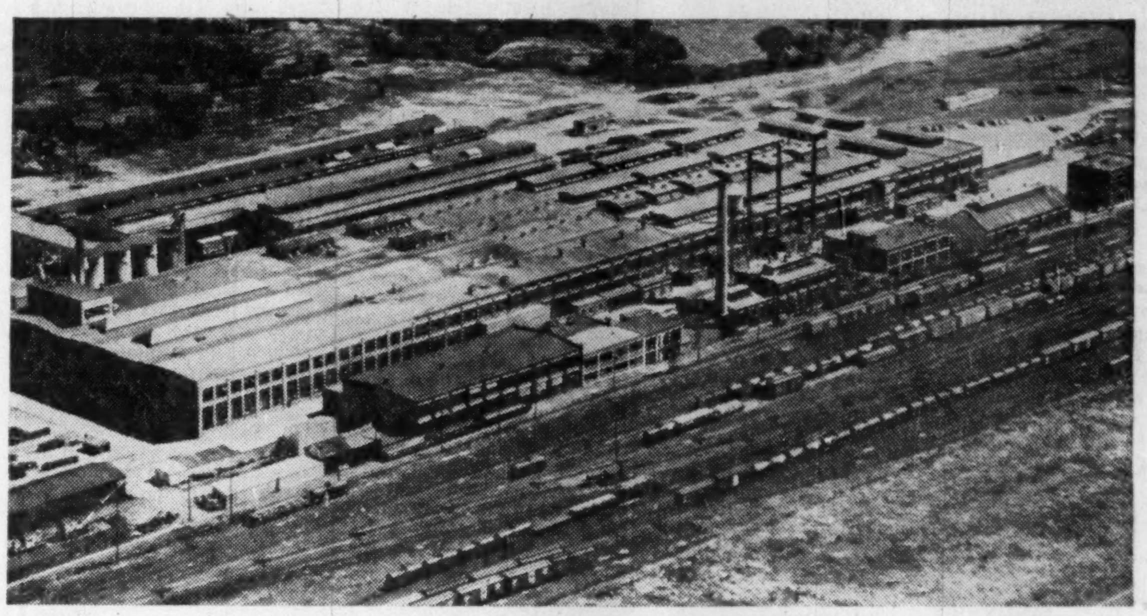
BELLEVILLE ONTARIO INTELLIGENCER • BRANTFORD EXPOSITOR • BROCKVILLE RECORDER AND TIMES • CHATHAM DAILY NEWS • CORNWALL STANDARD FREEHOLDER • FORT WILLIAM TIMES-JOURNAL • GALT EVENING REPORTER • GUELPH DAILY MERCURY • KINGSTON WHIG-STANDARD • KIRKLAND LAKE NORTHERN NEWS • KITCHENER-WATERLOO RECORD • NIAGARA FALLS REVIEW • NORTH BAY NUGGET • ORILLIA PACKET AND TIMES • OSHAWA TIMES-GAZETTE • OWEN SOUND SUN TIMES • PETERBOROUGH EXAMINER • PORT ARTHUR NEWS-CHRONICLE • ST. CATHARINES STANDARD • ST. THOMAS TIMES-JOURNAL • SARNIA OBSERVER • SAULT STE. MARIE STAR • STRATFORD BEACON-HERALD • SUDBURY STAR • TIMMINS DAILY PRESS • WELLAND-PORT COLBORNE TRIBUNE • WOODSTOCK SENTINEL-REVIEW

ANNUAL REPORT AND STATEMENT OF THE CHAIRMAN . : . HAWKER SIDDELEY GROUP

Sir Thomas Sopwith reviews Successful Year —Broadening Base of Hawker Siddeley Group

HIGHLIGHTS: Canadian Enterprises Flourishing • Acquisition of Canadian Car & Foundry
Nuclear Research • Supersonic Wind Tunnels • Guided Missiles • More Powerful Gas Turbines
Two New Motor Cars • Aircraft Production & Deliveries in Full Swing

TRIBUTE TO SIR FRANK SPRIGGS AND HIS TEAM OF 75,000 EMPLOYEES



Part of the plant of the Canadian Car & Foundry Co. Ltd. at Montreal, Quebec. In fifty years, Can-Car has grown from three small companies to become an important supplier of railway rolling stock, motor buses, electric trackless trolley coaches, and aircraft. It is also the country's largest producer of steel castings.

The TWENTIETH ANNUAL GENERAL MEETING of the Hawker Siddeley Group was held on January 11th at the Dorchester Hotel, London. SIR THOMAS SOPWITH, C.B.E., the chairman, said:—

Before making my report I should like to say how sorry we were to hear of the death in July of Mr. C. P. Heselden, secretary of the Company since its formation in 1935. His contribution to the affairs of the Group was a most valuable one and I am sure you will wish to join me in expressing our sincere condolences to his relatives.

Mr. Heselen's position as secretary has been filled by Mr. W. Newell who was previously secretary of Armstrong Siddeley Development Company Ltd., the Group's holding company.

FINANCE

The Report and Accounts have been circulated and with your permission I will take them as read.

The year ended 31st July, 1955 has been another successful year and the trading profits of the Group, after deducting the amount set aside to reserve for increased replacement cost of fixed assets, but before taxation, amounted to £11,675,537 as compared with £6,976,354 last year.

Great efforts by all the employees of the Group, both in the United Kingdom and in Canada, have resulted in production reaching a record level during the year, and I am sure you will agree that the Accounts show the Group to be in a very strong financial position.

There are those who will disapprove of the apparently large profits disclosed by these Accounts. To them I would say this: Our profits are a reflection of excellent workmanship and efficient management, and they represent only a moderate return on the greatly increased turnover of our operating companies in their varied activities at home and abroad.

If this country is to overcome difficult economic conditions in the future, industry must continue to make profits and to plough back the major part of them in order to finance development and research. This has always been the policy of your Directors and this year, despite the heavy burden of taxation, which is estimated at £7,146,794, your Directors have been able to leave £4,360,989 of the year's profits in the subsidiary companies where it will be used to finance expenditure on new assets and in the development and scientific research so vital to our future. In addition £1,000,000 has again been set aside to provide for the increased replacement cost of fixed assets. We are now in the age of electronics and nuclear power, and vast sums of money will inevitably have to be spent on the application of our latest scientific knowledge to commercial projects; your Directors are confident that they are pursuing a financial policy which will enable the Group to meet this challenge.

Recently the Government has asked for restraint in dividend policy, but, whilst accepting the need for curbing inflation, your Directors feel that the shareholders have for too long been left behind in the race against rising prices, and that they should be allowed to participate in the increased prosperity of the Company. Your Board is therefore recommending a final dividend on the Ordinary shares of 12½% less tax, making, with the interim dividend already paid, a total dividend for the year of 17½% less tax.

Your Board wishes to reduce the disparity between the issued Ordinary share capital of the Company and the capital actually employed. I am therefore glad to tell you that consent has now been received from the Treasury to capitalise £11,644,700 of the Group reserves. An Extraordinary General Meeting has been convened for 25th January, 1956, at which resolutions will be presented to increase the authorised Ordinary share capital by £12,000,000 and to apply the capitalised reserves in paying up in full unissued Ordinary shares of £1 each to be allotted to Ordinary shareholders in the proportion of one new share for each Ordinary share held.

I am pleased to report that your interests in Canada are flourishing. There we have just celebrated the tenth anniversary of the formation of A. V. Roe Canada Ltd. Formed in 1945, this Company has been developed into a group of closely integrated companies, the latest member being Canadian Car & Foundry Company Ltd. This Company is of course an old-established organization whose issued share capital has been purchased by A. V. Roe Canada Ltd. since 31st July, 1955.

Sir Roy Dobson has been the dominant figure in the Canadian affairs of the Group since we formed A. V. Roe Canada Ltd. ten years ago; and he has been untiring in his efforts to build up in Canada an equivalent organization to the Group in the United Kingdom.

Since my report to you last year, the United Kingdom interests of the Group have been expanded by the acquisition of Hawksley S.M.D. Ltd., Slough, and the formation of Hawker Siddeley Nuclear Power Company Ltd. The name of Brockworth Engineering Company Ltd. has been changed to Armstrong Siddeley (Brockworth) Ltd. in order to emphasize its close association with Armstrong Siddeley Motors Ltd.

GENERAL SURVEY

The theme of the year's work has been 'progress' and there is an impressive number of achievements to substantiate this. Here are some of them:—

1. NUCLEAR RESEARCH

We have entered into the nuclear sphere with the formation of Hawker Siddeley Nuclear Power Company Ltd. Negotiations are proceeding which will establish a nuclear research station for the Group. You will appreciate that the practical results of any such developments are a long way ahead.

2. ACQUISITION OF CANADIAN CAR & FOUNDRY CO. LTD.

With four modern plants, some 4,500 employees and a wide range of products and activities Can-Car has brought a large measure of commercial diversification to the Group, thereby broadening its industrial base for the future.

3. ELECTRONIC DEVELOPMENTS

The digital computers, simulators and other electronic instruments installed at various Group companies have come to be regarded as the daily tools of the design, research and development engineers. At A. V. Roe applications planned to cover automation in some sections of the factory are in progress.

4. SUPERSONIC WIND TUNNELS

In the Armstrong Whitworth Aircraft tunnel, opened last summer, models of new projects can be tested at speeds up to three times that of sound. This is an important addition to the research resources of the Group and indeed of the country. At another factory a supersonic wind tunnel under construction is designed to work at a speed of three and a half times that of sound.

5. THE A.R.A. WIND TUNNEL

The Aircraft Research Association's wind tunnel for the industry, in which your Group holds a large interest, is nearing completion.

6. GUIDED MISSILE DEVELOPMENT

Important Government contracts for guided missiles have been entrusted to the Group. New workshops, laboratories and equipment for guided missile work have been added by Armstrong Whitworth Aircraft and A. V. Roe, who are now equipped with the best tools and instruments obtainable.

7. MORE POWERFUL GAS TURBINES PRODUCED

Improved power has this year been yielded by the established Armstrong Siddeley 'Sapphire', 'Double Mamba', and 'Viper'. Orenda Engines has under intensive development the first of a new series of engines for the supersonic era, with power far exceeding that of current models.

8. TWO NEW MOTOR CARS PRODUCED

We have widened our range of Armstrong Siddeley motor cars by introducing two new 'Sapphires', each of 2.3 litres. These were well received both by our distributors and by the press when they were introduced at the last Motor Show and are now coming off the production lines.

9. RANGE OF TRANSMISSION UNITS EXTENDED

Self-Changing Gears, Ltd., an associated company, is designing, developing and producing a range of transmission units which we hope will have a world market. These units, in conjunction with the widely increasing use of diesels, have applications in the spheres of commercial vehicles, railcars, locomotives and marine engines.

10. USES OF ALUMINIUM DEVELOPED FOR BUILDING PURPOSES

Hawksley S.M.D. Ltd. is developing the uses of aluminium for the building industry in a variety of applications for which there is a promising future.

11. NEW AIRCRAFT FIELDS ENTERED

Hawkers have entered new aircraft fields with a two-seater 'Hunter' which is attracting interest from several parts of the world. Three new variants of the Gloster 'Javelin' have been announced—the Marks, 2, 4 and 7—each representing a considerable advance in all round capability. Avro Aircraft is engaged in research and development on a 'revolutionary new aircraft design concept' and also a supersonic high-altitude twin-jet all-weather fighter known as the CF-105.

12. HELICOPTER TRAINING SCHOOL STARTED

The training devision of Air Service Training Ltd. has added a basic helicopter training unit to its Flying School. In addition to the training of civilian personnel it is engaged on helicopter *ab initio* training of R.A.F. pilots.

These are, briefly, the highlights of progress during the year and I am sure you will agree that they constitute an impressive record. In addition to all these items there has been an steady expansion in our other fields of activity and I will make one or two brief comments on the progress of some of our companies during the year.

First, however, I should like to give you a little more information on our activities in Canada.

CANADIAN ACTIVITIES

The A. V. Roe Canada interests today comprise four companies—Avro Aircraft Limited, Orenda Engines Ltd., Canadian Steel Improvement Ltd., and Canadian Car & Foundry Company Ltd. — providing employment for 18,500 people. Between them they operate nine separate plants with a total manufacturing and engineering floor space of approximately five and a half million square feet. Expansion programmes involving a total expenditure of some 14 million dollars have recently been completed or are under way.

In production or under development are:—

Three types of aircraft
Two gas turbines
Railway equipment of all kinds for Canada and export to many foreign countries
Electric street cars
Electric trackless trolleys
Petrol and diesel-powered buses
Mining cars and equipment
Precision forgings and castings for aircraft aero engines, consumer products, and the textile and wire and cable industries
Heavy steel castings
Light alloy products
Aircraft ground handling equipment
Mobile training systems for the R.C.A.F.

I will deal with the Canadian Car & Foundry Company Ltd. first as it is the newest Canadian member of the Hawker Siddeley Group.

Since it was founded nearly fifty years ago, Can-Car has grown from three small companies to become an important supplier of railway rolling stock, motor buses, electric trackless trolley coaches, and aircraft. It is also the country's largest producer of steel castings.

The company has four plants, three of them located in the Montreal area and one in Fort William, Ontario. In addition, Can-Car holds a majority interest in the Canadian General Transit Company Ltd.

In the motor bus field the company has become one of the leaders in Canada. Major transit systems employ Can-Car buses and millions of passengers are carried daily by both municipal and inter-urban lines.

The Company has exclusive rights to manufacture and sell the 'Harvard' trainer and spare parts on a world-wide basis outside the United States. It is engaged in an important part of the construction of the T-34 'Mentor' trainer and the anti-submarine Grumman S2F for the Royal Canadian Navy.

At Avro Aircraft Ltd., a five million dollar expansion programme is under way at the company's Malton factories to accommodate existing and projected programmes.

Current production at Avro Aircraft Ltd. is of the Mark IV rocket-firing version of the CF-100, features of which are its unusually heavy fire power and a radar fire control system capable of directing interception in the new collision course attack technique.

Orenda Engines Ltd. is unique in the Canadian aviation industry as the only organization in Canada engaged in the full cycle of design, development and manufacture of gas turbine engines.

The 'Orenda 11' and the 'Orenda 14' which are in production, are finding increasing acceptance outside the purely Canadian field of operation.

A notable addition to the research and development facilities of Orenda Engines Ltd. in the past year was a laboratory with outstanding engineering facilities for aero engine development.

Canadian Steel Improvement Ltd. is the only complete Canadian producer of the most exacting forged components used in Canadian industry today—blades for the 'Orenda' and other jet engines.

Formed in 1951 to provide a continuing Canadian source of supply of these blades, the company has produced large quantities of them and has expanded into other markets including commercial applications calling for components in steel, high temperature alloys, aluminium, titanium and non-ferrous alloys.

Since March, 1955, an efficient light alloy sand foundry has been in operation and substantial orders have been obtained for commercial products. This foundry is overloaded and in the process of being expanded.

Now let us turn to brief details of some of our activities in the United Kingdom which have not already been mentioned.

AIRCRAFT

Good progress has been made with the production of the Hawker 'Hunter', Avro 'Vulcan', Gloster 'Javelin' and Avro 'Shackleton M.R.3'.

Large numbers of 'Hunters' are now in service with the R.A.F., the first deliveries to Sweden have begun, deliveries to Denmark will soon commence and a contract has been signed with the Peruvian Government for deliveries to begin this spring. 'Hunter' components and parts have also been supplied to Holland and Belgium where this aircraft is being built under licence.

GAS TURBINES

The Royal Air Force and the Royal Navy now have considerable squadron experience with the Armstrong Siddeley 'Sapphire' and 'Double Mamba'.

The 'Sapphire' in the 'Hunter' has proved to be a very satisfactory engine, while the 'Double Mamba' and the earlier 'Python' have given the Royal Navy the only two aircraft fitted with turbo-prop engines operating in squadron service from carriers in the world today.

The Gloster 'Javelin', and the 'Victor', are both powered by 'Sapphire' engines.

The past year has seen the introduction of the 'Viper' engine to Royal Air Force flying training. This engine is rapidly establishing a high reputation for reliability and we foresee an excellent market at home and overseas in training and other aircraft.

Our scientific and technical teams have been considerably augmented during the past year and, together with the necessary test facilities, expansion in this sphere continues. Heavy expenditure have been incurred in these fields which I am sure you will agree is the best investment for the future of the company. Particular emphasis is being placed on the Rocket Motor Division.

Armstrong Siddeley (Brockworth) Ltd., has now established its reputation as a successful manufacturer of aero engines and is in large-scale production.

MOTOR CARS

The 'Sapphire' car, which has been developed and improved during the year, is a very familiar sight on our roads and good sales have been achieved of both the saloon and limousine forms. The 'Sapphire' is the first car in production in the world to be fitted with adjustable powered steering.

Expansion of sales as a result of widening the range can confidently be expected although some anxiety about this future must be expressed in view of ever-increasing material costs and wages demands. The effect of the recent increase in purchase tax and the credit restrictions has not yet been fully felt.

DIESEL ENGINES

Armstrong Siddeley's output of diesel engines has increased by 35 per cent. We are extending our facilities to increase this figure and to widen the range although other competitors are coming into this field and we can, therefore, expect keener competition.

Last year I told you that we exported over 50 per cent. of our output. The figure for the year under review is more than 60 per cent.

ALLOYS

At High Duty Alloys there has been maintained a steady flow of forgings and castings for military aircraft and engines, but an interesting feature has been increasing work on civil aircraft.

On the commercial side of the company's business the growth at home has been sustained and particular attention has been given to export markets of every type. The market in New Zealand has shown development in excess of expectations and we feel that within the next few years it will become a major export market for our 'Hiduminium' products.

HOUSES AND CIVIL ENGINEERING

The aluminium building division of Hawksley Constructions has been amalgamated with the recently acquired S.M.D. Engineers Ltd., also specialists in this work, to form a new Group operating company under the title of Hawksley S.M.D. Ltd.

The new company has extensive contracts for buildings in Australia, including schools and hospitals, and for special structures for the B.B.C. at home.

Excellent progress is being made by the Kelvin Construction Company Ltd. whose volume of business has increased by 25 per cent.

IN CONCLUSION . . .

The move towards world prosperity continues. But in the future we are likely to face keener competition from abroad, in particular from the reviving industries of Germany, Italy and Japan and the entry of Russia into foreign markets.

To take care of future years, when I sincerely hope that the international position will enable less emphasis to be placed on the country's need for defence equipment, we have paid particular attention to broadening the basis of the Group and the development of non-aviation activities.

The policy of diversification has indeed been pursued to a greater extent than at any other time in the Group's history. It will give the Group a big share in the continued move towards prosperity. With this end in view we shall continue the process of building up as opportunity occurs.

This is the most successful trading year in the company's history and great credit must be given both to our Canadian enterprises and to our United Kingdom companies, who have pursued their activities in numerous export markets to the maximum. Our thanks are also due to the 75,000 executives and employees of the Group and I am sure you will want to join me in expressing our appreciation to them. I should like to pay tribute to one man in particular, our Managing Director, Sir Frank Spriggs. Many people have done good work during the year, but for over twenty years the executive responsibility has been Sir Frank's. The success of the Group is an indication of his sound judgement and business acumen.

We are continually adding to our already extensive research facilities for in these lie the means of keeping our factories filled with work in the years to come. Therefore the good results of this and previous years must be considered in relation to the high cost of providing such research equipment. For example, as a normal item of aircraft development we have to find means of simulating on the ground conditions that exist at up to fifteen miles above the earth's surface and up to three or more times the speed of sound. All this calls for great financial strength.

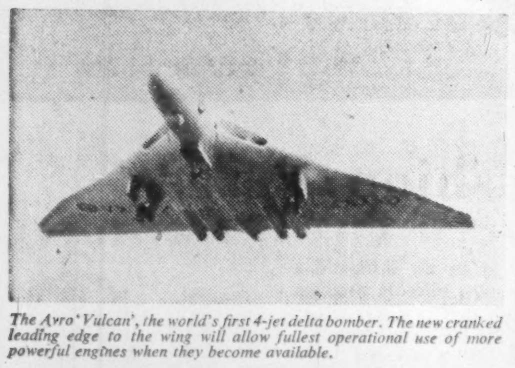
As you will have seen from the press an addition to your Board has been made in the person of Sir Arnold Hall as technical director. Sir Arnold is one of the leading scientists in the world today, and the Group cannot fail to benefit from his guidance in the years to come.

Finally, a word of warning. The experience of Geneva and of the last few months has shown us that we in the free world cannot afford to relax our vigilance even for an instant.

There must be no weakening of our hard-won defences, especially in the air.

Unless we remain strong enough to meet any threat, to make our enemies realize that any major act of aggression would instantly rebound on them with greater force, there is no future for ourselves or for our children.

The report and accounts were adopted.



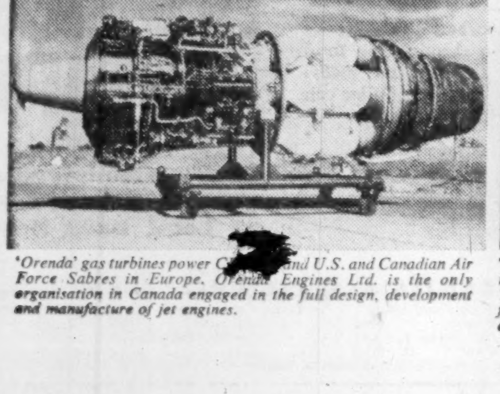
The Avro 'Vulcan', the world's first 4-jet delta bomber. The new cranked leading edge to the wing will allow fullest operational use of more powerful engines when they become available.

The versatile Hawker 'Hunter', mainstay of R.A.F. fighter squadrons, has now been delivered to Sweden, and orders have been placed by Denmark and Peru. 'Hunters' are also being built under licence in Holland and Belgium.

With a big development potential, the Gloster 'Javelin' all-weather fighter marks the transition between current all-weather fighters and the fully automatic guided missile of a future generation.

The Avro Shackleton M.R. 3 has many features specified by the South African Government. It is now in production for the R.A.F. Coastal Command, and the South African Air Force.

Target's eye view of the CF-100, backbone of the Royal Canadian Air Force, seen in flight over British waters during a visit to England in 1955.



'Orenda' gas turbines power C[illegible] and U.S. and Canadian Air Force Sabres in Europe. Orenda Engines Ltd. is the only organisation in Canada engaged in the full design, development and manufacture of jet engines.

'Big Bertha' is used to stamp parts for the Avro Aircraft supersonic CF-105. This 15,000 ton hydraulic rubber pad forming press is the biggest of its kind on the North American continent.

Latest addition to the Armstrong Siddeley production line is the elegant 'Sapphire' 236. It is the first car to have manumatic transmission which eliminates the clutch pedal.

Hawker Siddeley Group

18 St. James's Square, London, S.W.1.

PIONEER . . . AND WORLD LEADER IN AVIATION

A. V. ROE • GLOSTER • ARMSTRONG WHITWORTH • HAWKER • HAWKER (BLACKPOOL) • ARMSTRONG SIDDELEY
ARMSTRONG SIDDELEY (BROCKWORTH) • HAWKSLEY • TEMPLEWOOD ENGINEERING • AIR SERVICE TRAINING • HIGH DUTY ALLOYS • KELVIN CONSTRUCTION • NORSTEL • HAWKER SIDDELEY NUCLEAR POWER • *and in Canada* AVRO AIRCRAFT • ORENDA ENGINES • CANADIAN STEEL IMPROVEMENT • CANADIAN CAR AND FOUNDRY

ANNOUNCEMENT

Stanfield Appointment

E. L. McCARTY

has joined the Montreal Head Office of Harold F. Stanfield Ltd., as a senior Account Executive.
Mr. McCarty's advertising experience includes an agency and advertiser background. Prior to joining Harold F. Stanfield Ltd., he was an Advertising Supervisor at R.C.A. Victor and Advertising Manager at Canadian Aviation Electronics.

DOMINION FOUNDRIES & STEEL LTD., reports 2,640,000 common shares outstanding as at Dec. 13, 1955.

LETTER FROM LONDON

LONDON—It must be an event unique in the political history of Great Britain for the Prime Minister to issue a denial that he is about to resign. Sir Anthony Eden decided that he ought to deny it, which supplies a proof of the strength of the rumors that his days at 10 Downing Street were numbered. Whether it was a political act or not on his part is debatable, but not worth debating now.

One of these days the world will be told who originated and fomented the rumor, and it will be discovered that it did not emanate from the so-called reactionary wing of the Conservative Party (which is not composed of fools). Sensible people in all Parties recognize that Sir Anthony inherited a terrible legacy of troubles. The only possible reason for his relieving himself of the burden of office would be his health.

The attacks on him from the gutter-Press have done nothing but good. Nor did the attacks from the less disreputable newspapers do him any harm, for they were feeble efforts at lethal invective. Every day, journalism shows that it badly needs a Northcliffe to demonstrate how the newspapers should make their influence felt. But, alas, a Northcliffe is lacking, although there are plenty of men who deceive themselves into believing that they are the Elishas who have stepped into Elijah's sandals.

* * *

Monckton Was Rumored To Chief Justice Post

Another interesting (if unsupported) rumor that is going the rounds is that Sir Walter Monckton, a universally popular figure, would have left political life if Lord Goddard, the Lord Chief Justice, had not refused to resign. If he had resigned, Sir Walter would undoubtedly have been made Lord Chief Justice, without a dissenting voice. Lord Goddard is nearly 80 and, therefore, well past the retiring age as it is fixed in many other professions, including the senior branches of the Civil Service.

This is not meant to imply that Lord Goddard is unequal to his responsibilities. On the contrary, he discharges them with energy and skill. But it is meant to imply that it is absurd to lay it down that the more-or-less ordinary man has spent his force by his sixty-fifth birthday, whereas a man in an extremely onerous office can fill it satisfactorily when he has well exceeded the span allotted by the Psalmist and by Herodotus. The Hindu scriptures, on the other hand, put it at a hundred years, notwithstanding that the chances of a long life in Asia have always been slenderer than in Europe.

* * *

Mr. Gaitskell Sits On Volcano

The Socialists, naturally, seized on the anti-Eden attacks by Conservative newspapers as corn in Egypt. But people who live in glass houses should pull down the blinds when they bath. For the moment, the quarrel between the Gaitskellians and the Bevanites is in a state of suspended animation, but it is very far indeed from being composed, as nobody knows better than Mr. Gaitskell. He is sitting on top of a volcano which will erupt as soon as the Parliamentarians are back in harness and drawing their £2 a day for just being on tap (in addition to their salaries, of course).

The great weakness of professionally idealistic bodies is now, as it always has been, that the idealists hate one another so easily and so bitterly. The Socialists hate the Tories. No two opinions are possible about that. But the factions in the Socialist Party hate one another more than they hate the Tories, as Herbert Morrison found to his cost when he offered himself as the successor to Earl Attlee. The fact is that many Socialist MPs have disliked Herbert Morrison for years and years. He may be "our 'Erb" to some, but he is somebody else's 'Erb to most.

* * *

Lots of In-Fighting Among the Newspapers

If there is plenty of internecine fighting among the Socialists, there is even more among the newspapers. "Dog doesn't eat dog" was for long the rule in British journalism. It has now very thoroughly gone by the board, and dog sometimes seems to be eating dog and nothing else.

There is also going on a fight to attract new readers and we bid fair to revert soon to the prewar conditions, when mangles, sets of the classics (mainly unreadable) and silk stockings were distributed in masses to those who promised to buy newspapers for a certain period. Today, the lure is big sums of money eminently worth winning. At present, candidates for these windfalls have to pay an entrance fee, but it can be taken for granted that in the near future the prizes will be gifts designed just to keep, or to increase, the circulation figures.

* * *

Lady Astor Disowns Latest Biography

Ingenuous souls have wondered why the **Sunday Express** is publishing a biography of Lady (Nancy) Astor, as **The Observer** and the **Express** group are on far from friendly terms. This book is by Geoffrey Bocca, who specializes in biographies of a fruity kind, and it was inevitable that Lady Astor should publicly repudiate any part or lot in its composition. This biography is the reverse of sympathetic. An imminent instalment, it is announced, will narrate how Lady Astor was brought to the verge of ruin by an evil personality. In other words, by Horatio Bottomley.

The writer was acquainted with Bottomley. If ever there was a scoundrel, he was. But by dint of his unmatched power as a demagogue, he established himself, during World War I, as the Tribune of the People with a success outstripping even that of Gladstone, Lloyd George and Churchill. He was wrecked by his insatiable greed for money, which led him into the crudest species of swindle. If he could have curbed his greed he would probably have ended up as Prime Minister, just as Huey Long, if he had escaped the bullet of the assassin, would probably have ended up as President of the United States. Demos chooses strange and obscene idols to worship.

* * *

Stocks Slip On B.M.C. Cutback

The stock markets have been slightly depressed ever since British Motor Corp. stated its workmen would have to go on short time. Very few shares were adversely affected, although some of the financial commentators wrote as if we were back in 1929 at a stroke.

Sir Leonard Lord, the boss of B.M.C., is not only an extremely able man, he is also extremely adroit, and it is conceivable that his purpose is to remind trade unionists at large that if the goose with the golden eggs is squeezed too hard, it will refuse to lay. The squeeze of bank overdrafts continues, and men in a small way of business are swelling the queue in Carey Street and also swelling the ranks of those who will vote Socialist at the next general election. The "big boys," with overdrafts running into hundreds of thousands, and even millions, can defy the banks to do their worst, which is nothing. So the banks come down heavily on the small tradesmen and industries.

* * *

We had scarcely finished thanking heaven that Rita Hayworth and her exploits had ceased to occupy large tracts of the more frivolous newspapers, when Grace Kelly's engagement took place. The columnists plunged into all the details of the romance with their invariable gusto, which explains why Anthony Hope had such success with his Ruritanian novels. Ruritania is always a winning card.

Grace Kelly has frequently been "engaged" by the gossips to eligible suitors, but she was obviously and justifiably saving herself for a Rainier day. It causes no surprise in England that America is enthusiastically interested in Grace's forthcoming royal status, even if it is only as sovereign of a pocket-handkerchief kingdom. Republics are more dazzled by pomp and circumstance than countries which have retained their princely families through the centuries. The Old World is called into existence to redress the social drabness of the New.

Tankoos Yarmon Builds In Hamilton

A new office building for Underwood Ltd. in downtown Hamilton, Ont., will mark the start of a planned program of real estate investments in the Hamilton area by American Investment Properties Ltd. using U.S. investment capital.

Tankoos Yarmon Ltd., Canadian representatives of American Investment Properties will own the building and lease it to Underwood for the latter's Hamilton operations. Another office building is planned by the same interests adjoining the new Underwood building.

"As the premier heavy industry area of Canada," stated President Elliot N. Yarmon, "Hamilton presents excellent opportunities for American investors. There is great faith in the long-term development of the city especially in the light of the St. Lawrence Seaway development."

Tankoos Yarmon, established in Canada out of New York with offices in Toronto, has negotiated over $15 millions in building and long-term leases of commercial and industrial buildings in Montreal, Toronto and Calgary.

Recently, the firm told The Post it had $60 millions in U.S. capital available for such real estate investment.

Ont.-Federal Plan For Thorold Twp.

The Federal Government and the Province of Ontario will jointly finance a land assembly project in Thorold Township, Ont. for home-ownership construction.

The project, involving about 120 fully-serviced lots at an estimated cost of $210,000, covers 30 acres and the cost will be shared 75%-25% between Ottawa and Ontario respectively.

The project will be serviced with sewers, water mains, fire hydrants, street lights and curbs as well as street grading to 66 ft. wide and 24 ft. width hard-surfacing. Lots will be sold through the St. Catharines branch office of Central Mortgage & Housing Corp.

Advertisement

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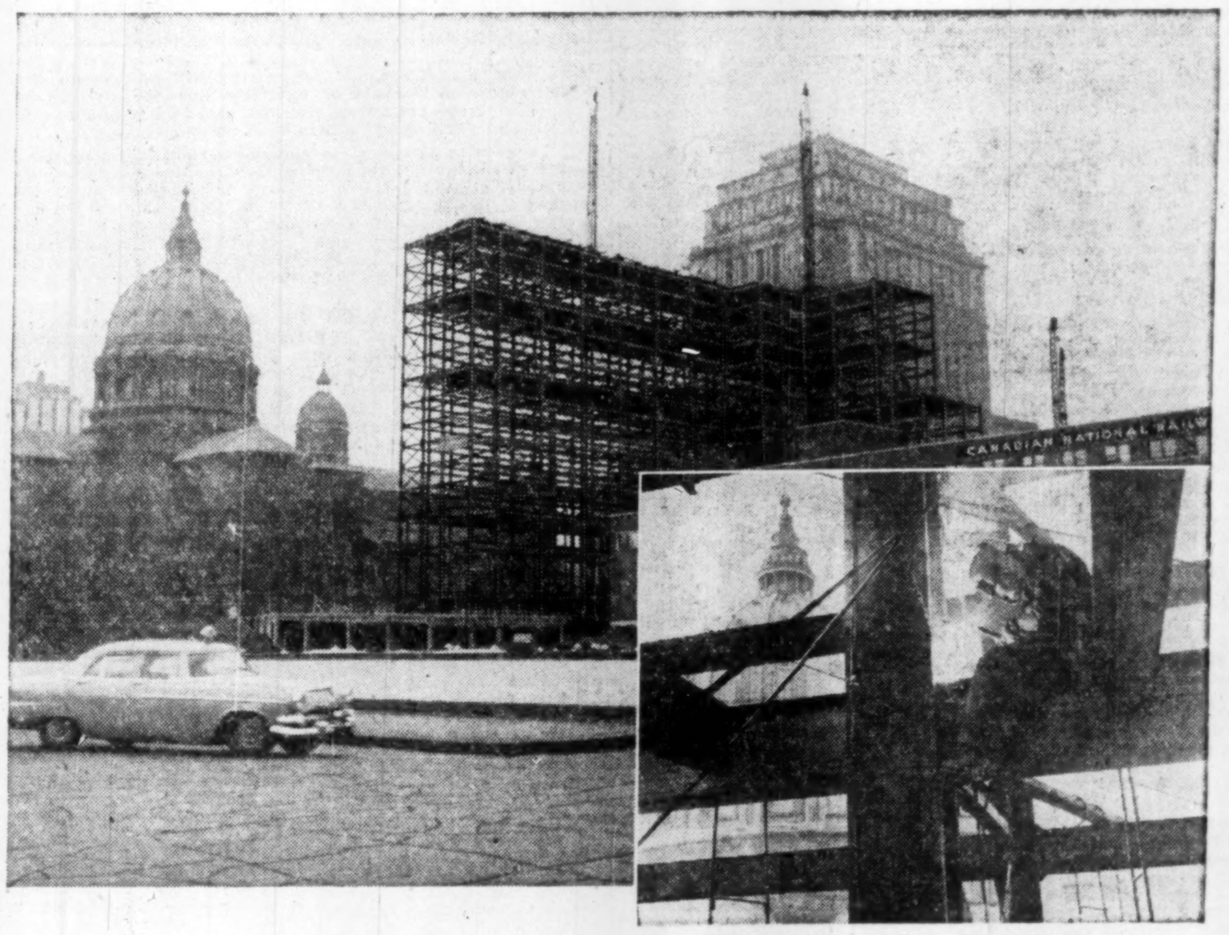

L.A. ATOM ARC Electrodes used on C.N.R.'s new $20 million Queen Elizabeth Hotel

Located in the heart of Montreal and adjoining the main offices of the CNR which house the railway's teletype nerve centre, the steel frame of the Canadian National Railway's new skyscraper hotel in Montreal has to be erected with a minimum of noise; hence the extensive use of field welding of beam and column joints, as well as of much of the vertical wind-bracing, by Dominion Bridge Company Limited.

The joining of the lighter beams to the heavier steel columns of this structure, without preheating, called for the use of low-hydrogen electrodes. After the erection work had started, L.A.'s ATOM ARC Electrodes were introduced on the job, and the approval of the welders themselves was so enthusiastic that *Atom Arc* Electrodes were adopted for structural welds.

Behind the selection of *Atom Arc* Electrodes for this structural steel job, or for *any* field welding job, are cold facts which no steel fabricator should overlook.

Atom Arc Electrodes are faster — depositing more pounds of metal per hour; they have greater deposition efficiency, resulting in more pounds of weld metal per electrode.

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Addresses Made at the Annual Meeting of Shareholders

The Royal Bank of Canada

James Muir, Chairman and President, Warns About "Frantic Pace of Consumer Buying" and Tightness Generally of Markets in Commodities and Labour

Canada can ill afford luxury of group or sectional parochialism. Diverse climates, cultures and economic interests present opportunities as well as problems in achieving national unity. "Unity in diversity" can become the foundation of national greatness.

General Manager reports total Deposits now over $3 billion . . . Assets attain imposing figure of $3,284,143,865 . . . Capital Funds close to $151,000,000 . . . Thirty-nine new Canadian branches opened in 1955, with 23 others under construction . . . Excellent opportunities for young men in Royal Bank's foreign service.

ADDRESS OF CHAIRMAN AND PRESIDENT

James Muir, Chairman and President, in moving the adoption of the Directors' Report, said:

The eighty-sixth Annual Report and Balance Sheet of the bank are in your hands. Before we proceed with discussion of them, it is my pleasure to introduce to you Mr. Sedgewick, your new General Manager, and Mr. Mayne, Associate General Manager since last February, who, as you know, devotes his energies to the non-domestic side of the bank's business.

The General Manager will, as usual, deal with the Balance Sheet in detail and the Associate General Manager's views will be embodied in his remarks.

It is particularly appropriate to have Mr. Atkinson, General Manager up until a short while ago, with us today and it is gratifying to know that we still have him as a member of the Board and that he will be nominated again today.

Last February we suffered a great loss in the passing of J. McGregor Stewart, C.B.E., Q.C., a Vice President and senior Director of the bank in terms of service. His interest in the bank was deep and abiding, his keenness of mind and his warmth of heart were treasured by all of us.

Mr. George L. Stewart of Toronto after six years as a Director relinquished his active business interests at the first of the year and Mr. C. S. Riley, a Director since 1937, has decided that now he is past the four-score year mark and still enjoying his old zest and vigour, it is appropriate to devote himself to a well-earned period of enjoyment of life away from the pressure of active daily business affairs. Mr. E. B. McInerney, formerly Manager at London, England, and a Director since 1949 wishes to have for himself a fuller measure of uninterrupted retirement and so does not offer his name for renomination.

In place of these distinguished gentlemen, it will be our pleasure to nominate today Mr. Frank M. Covert, O.B.E., Q.C., of Halifax, Mr. John A. Fuller of Montreal, Mr. W. Culver Riley of Winnipeg, son of Mr. C. S. Riley, and Mr. John R. White of Toronto. In the case of Mr. Culver Riley, this will, I believe, be the first time in the history of the bank that three generations of the same family have followed in direct sequence as Directors. Before passing from this phase of our remarks, I must mention the appointment of a new Director last December and his concurrent election as a Vice President of the bank, all in recognition of his long term of valued service. I refer to Mr. M. M. Walter.

You may recall that, a year ago, I referred to 1955 as a "Year of Decision"—a year, that is, in which it is necessary to make a variety of policy decisions which are especially charged with importance for the future of our country.

Today I propose first to discuss some of the policy decisions actually made during the year and to evaluate, as well as I can, their probable effect; second, to point out some of the problems confronting us in 1956 and to suggest ways of meeting them; and finally, third, to single out for special attention one problem of paramount importance for the future: the problem of achieving, and maintaining, Canada's economic unity.

"YEAR OF DECISION"

Last year I suggested certain criteria by which right policy might be judged. At that time I said:

"Within an overall climate of political and economic freedom, our policy decisions in government and business during 1955 should take due account of four interdependent goals of an economic policy directed towards the economic welfare of the community. The first of these is to ensure that our human resources are not wasted in involuntary idleness; that is, we should try to maintain a high and stable level of business activity and employment. The second goal is to ensure that our resources, when fully employed, are allocated in such a way as to produce the maximum volume of goods and services and to bring these goods and services to market in the proportions in which consumers want them. The third goal is to ensure that the distribution of the national product and income combines equity with the highest possible incentive to increase the total amount of product to be shared. The fourth and final goal is to ensure that all our policy decisions are consistent with an appropriate rate of economic progress and growth in the economy as a whole."

Since then some major decisions have been made. I should like now to discuss the most important of these especially as they bear on the pursuit or achievement of the four goals of policy and hence upon the economic welfare of the Canadian community.

BUSINESS ACTIVITY AND EMPLOYMENT

The year 1955 presented our monetary and fiscal authorities with a real test of their power to ensure a high and stable level of business activity and employment. The year began with an overhang of unemployment and slack trade from 1954. It was a time when, as I pointed out last year, "it is still unsafe to pronounce inflation entirely cured and still less so to assume that the paramount danger of the moment is the galloping deflation of the early 1930's." To meet this challenge we had the greatly improved fiscal devices now available to Ministers of Finance and Treasury Departments throughout the Western World; and we had the Bank of Canada which had recently added to its stock of standard central-bank tools important new devices supplied by the 1954 revision of the Bank Act and Bank of Canada Act. Moreover, both the old and the new tools presumably were capable of greater efficiency because of the favourable environment provided by the recently organized money market.

Nevertheless, none of these improvements in monetary and fiscal policy devices is a guarantee of stability. We know what devices to use to induce expansion or contraction but we do not always know when or how much to use them in order to achieve our purpose without going too far in the other direction. In the light of events since early 1955, it may be appropriate to repeat the basic questions I asked then. They are:

"When should a dose of expansionist medicine be administered? Have we perhaps reached a turning point where natural economic forces are sufficient to effect a cure? If not, how big a dose of our essentially preventive medicine should we give in order to restore health without upsetting the balance of nature?"

Apparently our monetary and fiscal authorities decided that the turning point had not come by early 1955 and that further positive action was needed. Accordingly the bank rate was reduced from 2% to 1½% in February 1955, at a time when other central banks throughout the world were either raising their rates or standing pat. Moreover, at 1½% our bank rate was the lowest charged by any central bank. This was an indication of an easy-money policy that went far beyond the modest, direct effect of a low bank rate. In addition to increased cash from traditional sources, available bank cash had been increased by the drop in the cash-reserve ratio from the former conventional 10 per cent to the new statutory 8 per cent average. The view that further positive action was needed apparently still prevailed when the budget was brought down on April 5th. Tax reductions, notably on personal income, were expected to result in a small deficit for the fiscal year 1955/56.

It soon became evident that business activity and employment were on the upswing, and indeed, by late spring, there were indications that the momentum was, if anything, too great for comfort.

In August the bank rate was increased from 1½ to 2 per cent, in September from 2 to 2¼ per cent, and again in November from 2¼ to 2¾ per cent. Not since the Bank of Canada opened for business in 1935 has the bank rate been so high, and the three changes of rate in as many months is unprecedented as well. This, of course, was a signal for a complete reversal of the easy-money policy of the first half of the year, and the squeeze on credit continues, with the Bank of Canada using all the tools and techniques that a central bank can command.

It is too soon to judge the effectiveness of the new deflationary policy; but, looking back over the year it would seem that the early part at least provided a demonstration of the efficacy of monetary and fiscal policy in combating deflation and unemployment. However, we must remember, first, that inflation was already considered a threat in other countries as early as January 1955, when the U.K. raised her bank rate, and presumably these inflationary forces were bound to affect Canada sooner or later; second, that the most significant tax reduction, that on personal incomes, did not become effective until July 1, 1955, by which time inflationary forces in Canada were already strong.

Nevertheless, the upswing was undoubtedly abetted by our own monetary and fiscal policy. It is possible indeed that easy money, which induced ready lending by banks, had ceased to be beneficial and had begun to have inflationary effects by the end of the second quarter of the year. Again, I must underline what I said at the beginning: in maintaining stability at a high level of employment, through monetary and fiscal policy, the important thing is not the "what?" but the "when?" and the "how much?"

In all the excitement over the switch to deficit financing, one extremely important decision in the realm of fiscal policy went almost unnoticed by the general public. This decision is all the more important because, unless or until reversed, it will presumably determine the overall pattern of federal budgeting for years to come.

BUDGET "STABILIZER" NEW DEPARTURE

In his budget speech of April 5, 1955, the Minister of Finance said:

"I propose to recommend to the house a tax policy and a tax structure that would produce a balanced budget under conditions which represent a high level of output and employment."

Now a high level of output and employment is reflected in the figure that measures the gross value of our national production over the year. The new tax policy and tax structure referred to by the Minister of Finance is geared to this gross national product in such a way that if in any year the product falls below a certain ideal level, there will be an automatic budget deficit. If the national product rises above this level, there will be an automatic surplus. And the ideal level of gross national product is apparently defined as the level that would have obtained had employment and the rate of growth of the economy been "normal" every year since the base year 1953.

For example, in estimating what the gross national product for 1955 should be, the Minister began with the $24.4 billion product achieved in 1953, "a good year", added what he considered a warranted rate of growth for 1954, making the "ideal" product for that year $25 billions instead of the $24 billions actually achieved, and ended with an ideal estimated figure of $26 billions for 1955 instead of the estimated actual product of $25¼ billions. Tax rates were then levied so as to balance the budget on a $26 billion gross national product; and, since the estimated actual product was only $25¼ billions, this meant a deficit which was, in fact, estimated at $160 millions.

It may be open to question whether this kind of built-in stabilizer will prove sufficiently strong to produce the desired effect. We may have to consider the desirability of planned surpluses or deficits in excess of automatic surpluses or deficits caused by swings in the community's money income above or below some ideal level. In other words, what we might call the new automatic principle in fiscal policy may prove too passive to meet the crises that lie ahead. It may well be that the automatic principle was adopted as a device to ensure that fiscal policy would at least not make things worse: that it would at least be a neutral factor in the short run. Meanwhile, monetary policy with its greatly superior flexibility could be relied upon to take care of short swings in business activity and employment, leaving longer run problems of economic development and growth to the necessarily slower adjustments through annual revisions of the budget. In any case, the decision to adopt this particular theory of fiscal management is a most important one. The theory is already receiving a trial run in practice; and it is to be hoped that experts and laymen alike will give it both the serious consideration and the full discussion that its importance deserves.

TECHNIQUES OF MONETARY POLICY

I believe we should also consider the effectiveness and desirability of our various techniques of monetary—policy. While the Department of Finance moves towards more automatic devices, there is some evidence that central-bank policy is moving towards greater discretion through the increased use of "moral suasion" as opposed to the more mechanical devices provided by statute. This would appear to be all the more remarkable in view of the greater statutory powers conferred by the Bank Act revision of 1954 and by the greater room for manoeuvre provided by the development of the new money market. During periods of inflationary pressure, the Bank of Canada has in the past applied selective credit controls designed to curb the most inflationary type of lending, with the least possible disturbance of essential loans at short term required to move goods and bring them to market. For example, the ban on term loans and purchases of corporate securities—imposed in February 1948, and lifted in February 1949, re-imposed in February 1951, and lifted in May 1952—was in November 1955 once more imposed by the Bank. I shall refer to these and similar types of credit expansion later in my remarks. But what I have particularly in mind is a different kind of non-statutory requirement; that is, the requirement by the Bank of Canada that a second line of reserves in Treasury Bills and day-to-day loans be established by the chartered banks sufficient, with existing statutory cash reserves of 8%, to bring these first and second line reserves to a total of 15% by May 1956. Again, it would appear, an important decision has been made. In this, as in my comments on fiscal policy, I speak not as an advocate but merely as one who would like to see the widest interest and the fullest and freest discussion of matters which are of paramount importance to the economic welfare of the country.

TRADE AND TARIFFS

Other decisions of greater or less moment have been taken during 1955 affecting the allocation of economic resources, the distribution of income, and our national economic growth. I believe one can safely infer from government action that, in spite of defections abroad, Canada will continue to support principles laid down by the General Agreement on Tariffs and Trade.

If we in Canada were to accept in principle Sir Anthony Eden's suggestion that it would be desirable to divert, say 8% of our imports from elsewhere to the U.K., I believe our policy would and should be that this be done by a process of educating the Canadian consumer through a marked improvement in selling and service by U.K. exporters, and not by some quantitative device such as discriminatory import restrictions designed to divert trade to the sterling area.

Meanwhile exchange restrictions persist abroad not only, or even perhaps chiefly, because of exchange difficulty but because of their protective effect for certain vested interests that have grown up behind the "exchange-control curtain." The United States, with no exchange controls, has nevertheless sought to bolster her own agricultural price-support programmes with tariff and quota restrictions directed, inevitably, largely against us. In addition, the United States has adopted what might be called "disguised lend-lease": accepting soft inconvertible currencies in order to dispose of her wheat surplus. All these developments, along with continued pressures from domestic manufacturers for protection, must have subjected the government to severe temptation to do just a little discreet back-sliding towards a less liberal trading policy. Nevertheless, I hold, as I have in previous years, that temptation should be resisted and that virtue in these matters will eventually pay off in a more healthy and prosperous world economy and hence in a more healthy and prosperous Canada.

Trade and tariff policy and other devices affecting the allocation of economic resources, through freeing or restricting the freedom of the market, inevitably affect the dis-

(Continued on page 33)

INFLATION NO. 1 PROBLEM IN 1956

Mr. Muir suggests three ways to control over-extension of credit through selective curbs on banks and individuals

New inflationary pressure built up during the boom in 1955 constitutes one of the more important problems facing Canada in 1956, said Mr. Muir. While admitting there may be some difference of opinion not only on the timing and magnitude of anti-inflation policies and even on the seriousness of the threat posed by the boom, he believed that there are "danger signs, not so much in prices as in the frantic pace of consumer buying, business expansion and the general tightness of markets in both commodities and labour."

"No modern banker will deny the efficacy of wise central bank policy in curbing inflation," said Mr. Muir. "Indeed, experience shows that monetary policy is more effective against inflation than against deflation. But there are dangers. As I have already pointed out, the policy may go too far. It may also be unselective, curbing healthy as well as unhealthy or excessive bank credit. In addition, certain types of credit, and these by no means the least inflationary, lie almost entirely outside the chartered banking system. I should like to nominate two candidates and possibly three for the attention of those charged with devising and administering credit control on a selective basis: consumer credit; term loans by banks; and (with caution) mortgage credit.

"Consumer credit, or 'buying on time', is an essential part of our modern economy. But, like all goods things, it can be carried to extremes. For the individual, to live in constant heavy debt is to live in bondage; and the burden of debt is usually the greatest for those who can afford it least: viz., those who need or are attracted by 'no down payment' offers. For the economy as a whole, consumer credit results in the production and sale of durable goods (a form of long-term investment by the consumer) without at the same time a corresponding act of saving. There need be no harm in this provided the consumer loan is itself financed out of saving—the consumer then borrows in order to spread his own saving over time. But if a great rise in consumer loans is financed through bank credit expansion we have an expansion not of short-term, self-liquidating credit but a long-term loan paid back only over a long period, and a consequent expansion of the money supply.

"Term loans by banks to corporations and the purchase by banks of corporate serial bond issues are similar in effect to an expansion of bank-financed consumer credit, and may be more serious in that the repayment period may be longer; and the initial outlay, for plant expansion, increases money incomes without providing a corresponding flow of final products on which that money income can be spent. That is why it is essential, in normal times, and especially where there is a threat of inflation, that term loans be financed out of the savings of the general public.

"Mortgage loans by banks, like bank-financed consumer credit and term loans to corporations, are a departure from traditional short-term bank financing. Long-term investment, this time in a home, is financed without a corresponding act of saving. As a device for expanding home owning during a period of relatively slack trade, the NHA programme had many virtues. But with a return to normal conditions, and later with a reappearance of inflationary pressure, continued mortgage lending by banks, together with the other inflationary forces, undoubtedly made a contribution to instability in the economy."

STAFF NOW NUMBERS 14,500

General Manager praises staff's contribution to success of bank . . . attractive opportunities ahead for increasing numbers of young men joining the Royal

"It is my wish to pay a tribute, one highly deserving, to our staff; any organization is just as strong or just as weak as the people who meet its customers, settle its problems and in general conduct its business. In this respect, it is my sincere belief that nowhere does there exist a body of men and women more desirous of discharging their responsibilities pleasantly and capably than are the members of the staff of our bank. To the fact that they have been able to accomplish their mission in the year under review, our Balance Sheet bears abundant testimony. We are very pleased indeed to see a growing number of young men join our staff and feel that they have attractive opportunities ahead. Banking is now a most interesting and satisfying field as by its very nature, it is closely allied with all phases of the development of Canada in this important era. And so, to all members of the staff, numbering in excess of 14,500, from Paris, France, to Victoria, B.C., from Port Radium in the Northwest Territories to Buenos Aires in the Argentine, our message is this—in you we have great pride, from you we have great expectations and to you we owe a great debt of gratitude."

HIGHLIGHTS

MR. MUIR said:

In all the excitement over the switch to deficit financing, one extremely important decision in the realm of fiscal policy went almost unnoticed by the general public. This decision is all the more important because, unless or until reversed, it will presumably determine the overall pattern of federal budgeting for years to come.

In his budget speech of April 5, 1955, the Minister of Finance said: "I propose to recommend to the house a tax policy and a tax structure that would produce a balanced budget under conditions which represent a high level of output and employment."

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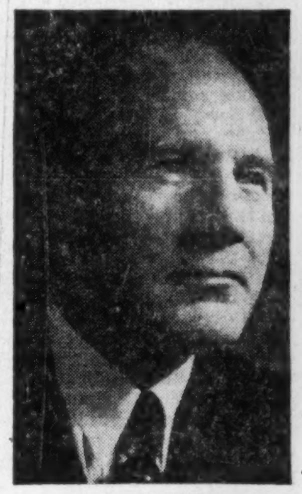

JAMES MUIR
Chairman and President
The Royal Bank of Canada

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* * *

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* * *

Owing to natural causes, and to the effect of present policy, the three varieties of credit over-expansion may soon become less serious. To consider them in reverse order, it is possible that in the immediate future seasonal effects will tend to reduce inflationary pressure. This is especially true of home building and construction in general. Term loans and the purchase of corporate securities are no longer practicable under existing monetary policy; and, since the banks have only the shorter maturities, the amount outstanding should be substantially reduced within a few years and of course there will be no additional pressure from this source. The control of consumer credit does not belong primarily in the field of banking. War and post-war experience have shown that this can be most effectively handled by regulation at the retail level, with good will and co-operation between those who extend the credit and the control authorities. There should be nothing, therefore, in these three varieties of credit over-extension that a little common-sense, restraint, and co-operation cannot quickly cure.

* * *

We in Canada are divided by the accident of geography that makes us a long belt, divided into regions with diverse climates, cultures, and economic interests; and with each region feeling the strong influence of our giant neighbour, the United States. We are divided also by occupational and group sectionalism within as well as between regions. Under these conditions, which we have to take as "given" so far as policy is concerned, we can least afford the parochialism of group and sectional interests which is a natural, if not an inevitable, result.

There is, however, reason for optimism arising in part from the very magnitude of the task before us. The very diversity of regional, cultural, and occupational interests that creates and aggravates our problem makes unity an even richer prize than would otherwise be the case. Ours will be a unity in diversity, with the attendant opportunity to take fullest advantage of the division of labour, itself a product of diversity in culture, in individual talent and skill, in group interest and activity. I firmly believe that this difficult task can be accomplished.

* * *

MR. SEDGEWICK said:

The bank continues to grow and aggregate assets have now reached the imposing figure of $3,284,143,865, an increase of over $257,000,000 during the year. The bank's liquid position continues strong. Cash and other assets of a like nature amount to $542,000,000 odd and when there is added thereto the aggregate of Call Loans, Government of Canada and Provincial Government securities along with corporate and municipal and other obligations of a readily marketable quality, a grand total in quick assets of $1,918,749,579 results which is 61.24% of the bank's liabilities to its customers. This percentage has been lowered slightly during the year due in part to the bank's active participation in financing mortgages insured under the National Housing Act under which heading loans amount to $100,865,965 as compared with $22,672,390 the year before. Other current loans also have shown expansion in line with the higher general business activity and the total at $1,168,559,855 shows an increase of more than $137,000,000 in the twelve-month period under review. We are now, in common with the other banks, co-operating with the Government and the Bank of Canada in carrying out a policy of credit restriction designed to prevent inflationary pressures. It is important that the timing of any variation in such a policy should coincide accurately with changing conditions within the economy.

* * *

It is gratifying to report that we have arrived at another epoch in our history — our deposits have now passed the $3,000,000,000 level and total $3,062,220,000, an increase of nearly $265,000,000 during the year. Ten years ago our deposit figures were $1,888,757,074, approximately 61% of today's figure. Our depositors numbered 1,555,359 as compared with 2,557,909 at the present time.

* * *

Our Rest Account has been increased to $108,000,000 which with paid-up Capital of $42,000,000 and the undivided profits balance of $918,000 odd means that the bank now has at use Capital funds of close to $151,000,000. This is a very strong position indeed.

* * *

The asset position of our non-domestic branches has been well maintained during the year and net earnings brought home during 1955 compare most favorably with those for the next preceding year.

It has been our policy over the years to expand operating units abroad in keeping with the banking requirements of the commercial business communities where we are represented. Proposals are now under consideration for further expansion in the Caribbean area to keep abreast of the banking needs of these countries. Also we shall occupy new and more commodious premises in Rio de Janeiro shortly, and similar projects are under way at two points in Venezuela to accommodate expanding business in these centres.

K. M. SEDGEWICK
General Manager
The Royal Bank of Canada

* * *

Since the inception of operations abroad nearly sixty years ago, local staff has been encouraged to aspire to senior positions. We believe our policy with regard to employment of local staff has been a factor in our being accorded equal treatment with national institutions under the governing bank laws. Notwithstanding our general plan for development of personnel, however, we must have a reasonable number of Canadians in the overseas service, and for young men who are interested in the prospect of a satisfying and successful career in international banking, excellent opportunities exist in our organization today.

GENERAL MANAGER'S ADDRESS

K. M. Sedgewick, General Manager, referred to the financial statement as follows:

As you will have seen from the 36th Annual Report, the bank continues to grow and aggregate assets have now reached the imposing figure of $3,284,143,865, an increase of over $257,000,000 during the year. This is a natural result of the business tempo which has been reflected in larger national income and a higher volume of trade in nearly all divisions of the economy. It is our desire to participate in and assist with the development of our country to the greatest extent possible and it is our aim to provide banking service in any area where existing needs or future potential justify the cost. We are proud — and we hope excusably so — that such a large percentage of the people of Canada entrust their banking affairs to us and, being deeply sensitive of the fact that with enhanced prosperity there must follow greater responsibilities, it is with a strong sense of satisfaction that we proceed, day by day, to justify the confidence the public at large places in our institution.

By referring to the Balance Sheet you will see that the bank's liquid position continues strong. Cash and other assets of a like nature amount to $542,000,000 odd and when there is added thereto the aggregate of Call Loans, Government of Canada and Provincial Government securities along with corporate and municipal and other obligations of a readily marketable quality, a grand total in quick assets of $1,918,749,579 results, which is 61.24% of the bank's liabilities to its customers. This percentage has been lowered slightly during the year due in part to the bank's active participation in financing mortgages insured under the National Housing Act under which heading loans amount to $100,865,965 as compared with $22,672,390 the year before. Other current loans also have shown expansion in line with the higher general business activity and the total at $1,168,559,855 shows an increase of more than $137,000,000 in the twelve-month period under review. We are now, in common with the other banks, co-operating with the Government and the Bank of Canada in carrying out a policy of credit restriction designed to prevent inflationary pressures. It is important that the timing of any variation in such a policy should coincide accurately with changing conditions within the economy.

DEPOSITS

It is gratifying to report that we have arrived at another epoch in our history — our deposits have now passed the $3,000,000,000 level and total $3,062,220,000, an increase of nearly $265,000,000 during the year. Government balances show little change but personal savings deposits in Canada have risen by $85,000,000, while other deposits have increased by $155,000,000. All of this, of course, has meant a substantial number of new depositors and friends which is very heartening to us. It would perhaps be interesting to you to think back to our deposit figures of only ten years ago. They were $1,888,757,074, approximately 61% of today's figure whereas then our depositors numbered 1,555,359 as compared with 2,557,909 at the present time. We are confident indeed that, with the standard of service for which our branches are becoming more noted every day, the bank will continue to keep pace in this important field.

EARNINGS

Profits for the year after providing for income taxes and depreciation amounted to $10,858,480 an increase of $1,300,435 over earnings of the previous year. Out of this revenue, $7,444,422 was paid to the shareholders in dividends, being at the rate of $1.57½ per share, plus an extra distribution of 20c per share, and $3,414,058 was transferred to Surplus Account. Thereupon an amount of $4,000,000 was moved to Rest Account increasing that figure to $108,000,000 which with paid-up Capital of $42,000,000 and the undivided profits balance of $918,000 odd means that the bank now has at use Capital funds of close to $151,000,000. This is a very strong position indeed which we are sure will be regarded favourably both by our depositors and by our shareholders.

BANK PREMISES

The policy of the bank in replacing, remodelling, and renovating branch offices remains unchanged. During the year our new Calgary office was opened and it is truly a credit to the bank in this important centre. Within the next few days we will move to our new building in Hamilton and will be in a much more advantageous position to deal with the needs of that great and growing industrial area. In Toronto we have acquired well located property on King Street and in the next decade expect to have new quarters for our Ontario administrative offices and for our Toronto main branch. Many additions and alterations to premises have taken place during the year in addition to which thirty-nine new branches have been opened in Canada, and twenty-three new buildings for opening this year or later are now in various stages of construction. As at the year end, a total of 851 branches and sub branches were in operation, 777 in Canada and 74 abroad.

SHAREHOLDERS

Certainly, one of the greatest satisfactions that accrues to an executive body is to see the stock of its company shared by an increasing number of investors. In this respect, the list of shareholders of the bank continues to widen and our shares are now in 18,702 different hands. This figure compares with 13,043, the number of shareholders ten years ago.

FOREIGN

It is gratifying that we are able

(Continued on page 33)

Addresses Made at the Annual Meeting of Shareholders of The Royal Bank of Canada

(Continued from page 32)

tribution of income. In 1955, income distribution was less affected by these policies, or by shifts in the burden of taxation, than by the brute forces of nature combined with conditions and policies abroad that created a great wheat surplus and a drop in farm income. Big decisions here remain to be made, and some rather depressing indication of their nature has appeared in the handling of the butter surplus through price supports combined with dumping abroad at low prices. Meanwhile our policies and possibilities for economic progress over the long run are being studied by the Royal Commission on Canada's Economic Prospects. Altogether, 1955 has proved in retrospect what it was in prospect: a year of decision.

FUTURE PROBLEMS AND DANGERS

I shall now consider a few of the most important problems confronting us in 1956. The first of these is obviously the new inflationary pressure built up during 1955. A review of that year, such as I have just given, should teach us that stability, like freedom, exacts its price in eternal vigilance. We must note, too, that there may be some difference of opinion not only on the timing and magnitude of anti-inflation policies, but also on the seriousness of the threat presented by the present boom. I believe that there are definite danger signs, not so much in prices as in the frantic pace of consumer buying, business expansion, and the general tightness of markets in both commodities and labour. Nevertheless, it can be argued that inflation solved some problems. An inflationary policy at home brought our dollar down to par, thus aiding our exporters at the very time that their markets were improved owing to inflation abroad. But this is hardly a healthy basis for continuing prosperity. Inflation always creates more problems than it solves. But, granting the need for anti-inflationary measures, what constitutes a balanced and effective policy?

No modern banker will deny the efficacy of wise central bank policy in curbing inflation. Indeed, experience shows that monetary policy is more effective against inflation than against deflation. But there are dangers. As I have already pointed out, the policy may go too far. It may also be unselective, curbing healthy as well as unhealthy or excessive bank credit. Short-term commercial loans to move goods into the market are a symptom rather than a cause of inflation, and drastic curbs may actually block the flow of goods and make inflationary pressure greater. Considerations such as this have led central banks to the use of discretionary and selective devices to supplement broad quantitative controls. In addition, certain types of credit, and these by no means the least inflationary, lie almost entirely outside the chartered banking system. I should like to nominate two candidates and possibly three for the attention of those charged with devising, and administering credit control on a selective basis: consumer credit; term loans by banks; and (with caution) mortgage credit.

Consumer credit, or "buying on time", is an essential part of our modern economy. But, like all good things, it can be carried to extremes. For the individual, to live in constant heavy debt is to live in bondage; and the burden of debt is usually the greatest for those who can afford it least: viz., those who need or are attracted by "no down payment" offers. For the economy as a whole, consumer credit results in the production and sale of durable goods (a form of long-term investment by the consumer) without at the same time a corresponding act of saving. There need be no harm in this provided the consumer loan is itself financed out of saving — the consumer then borrows in order to spread his own saving over time. But if a great rise in consumer loans is financed through bank credit expansion we have an expansion not of short-term, self-liquidating credit but a long-term loan paid back only over a long period, and a consequent expansion of the money supply.

Term loans by banks to corporations and the purchase by banks of corporate serial bond issues are similar in effect to an expansion of bank-financed consumer credit, and may be more serious in that the repayment period may be longer; and the initial outlay, for plant expansion, increases money incomes without providing a corresponding flow of final products on which that money income can be spent. That is why it is essential, in normal times, and especially where there is a threat of inflation, that term loans be financed out of the savings of the general public.

Mortgage loans by banks, like bank-financed consumer credit and term loans to corporations, are a departure from traditional short-term bank financing. Long-term investment, this time in a home, is financed without a corresponding act of saving. As a device for expanding home owning during a period of relatively slack trade, the NHA programme had many virtues. But with a return to normal conditions, and later with a reappearance of inflationary pressure, continued mortgage lending by banks, together with the other inflationary forces, undoubtedly made a contribution to instability in the economy.

Owing to natural causes, and to the effect of present policy, the three varieties of credit over-expansion may soon become less serious. To consider them in reverse order, it is possible that in the immediate future seasonal effects will tend to reduce inflationary pressure. This is especially true of home building and construction in general. Term loans and the purchase of corporate securities are no longer practicable under existing monetary policy; and, since the banks have only the shorter maturities, the amount outstanding should be substantially reduced within a few years and of course there will be no additional pressure from this source.

The control of consumer credit does not belong primarily in the field of banking. War and post-war experience have shown that this can be most effectively handled by regulation at the retail level, with good will and co-operation between those who extend the credit and the control authorities.

There should be nothing, therefore, in these three varieties of credit over-extension that a little common-sense, restraint, and co-operation cannot quickly cure.

CANADIAN UNITY

I have now dealt with the policy decisions of 1955 and some of the problems confronting us in 1956. I should like at this point to turn your attention to a matter of longer-term significance — to what I consider to be a most important goal of policy — a goal that, in a sense, comprehends all the others: achieving and maintaining Canada's economic unity.

Clearly, Canada's future as a unified economic and political entity depends in part upon our continuing success in meeting the various short and long-run problems we have been discussing. But success in this, though necessary, is not suficient in itself to guarantee Canadian unity. We are divided by the accident of geography that makes us a long belt, divided into regions with diverse climates, cultures, and economic interests; and with each region feeling the strong influence of our giant neighbour, the United States. We are divided also by occupational and group sectionalism within as well as between regions. Under these conditions, which we have to take as "given" so far as policy is concerned, we can least afford the parochialism of group and sectional interests which is a natural, if not an inevitable, result.

There is, however, reason for optimism arising in part from the very magnitude of the task before us. The very diversity of regional, cultural, and occupational interests that creates and aggravates our problem makes unity an even richer prize than would otherwise be the case. Ours will be a unity in diversity, with the attendant opportunity to take fullest advantage of the division of labour, itself a product of diversity in culture, in individual talent and skill, in group interest and activity.

I firmly believe that this difficult task can be accomplished. There is indeed, encouraging evidence that we have already made great progress: that parochial attitudes and habits of thought are now on the wane in Canada. As I have said, continued progress depends on wise decisions in economic policy; but, in the final analysis, success in achieving and maintaining Canadian unity requires much more than that. The role of economic policy is to make it possible for the great qualities of courage, faith, and breadth of vision to add nobility to wisdom, to add worthiness to wealth, and to add national greatness to that greatness of promise which is still perhaps the most precious asset of this divinely endowed young country.

GENERAL MANAGER'S ADDRESS

(Continued from page 32)

to report the asset position of our non-domestic branches as having been well maintained during the year and that net earnings brought home during 1955 compare favourably with those for the next preceding year.

It has been our policy over the years to expand operating units abroad in keeping with the banking requirements of the commercial business communities where we are represented. Proposals are now under consideration for further expansion in the Caribbean area to keep abreast of the banking needs of these countries. Also we shall occupy new and more commodious premises in Rio de Janeiro shortly, and similar projects are under way at two points in Venezuela to accommodate expanding business in these centres.

In regard to the general position of our non-domestic branches, we continue to select business risks with care and we can therefore report that the quality of our assets continues at a high standard.

Since the inception of operations abroad nearly sixty years ago, local staff has been encouraged to aspire to senior positions. Needless to say, the incentive thus engendered has worked to the mutual advantage of the bank and its employees. Because of the training program followed over the years, we are fortunate in having a complement of senior staff well equipped to deal with intricate banking problems, many of which are international in scope. Also, we believe that our policy with regard to employment of local staff has been a factor in our being accorded equal treatment with national institutions under the governing bank laws. Notwithstanding our general plan for development of personnel, however, we must have a reasonable number of Canadians in the overseas service, and for young men who are interested in the prospect of a satisfying and successful career in international banking, excellent opportunities exist in our organization today.

Time does not permit us to review conditions in the areas where we have direct representation, but the customary supplement will go forward with the published proceedings of this meeting.

Will Call Tenders For New Sovereign 'Peg Head Office

From Our Own Correspondent

WINNIPEG — Sovereign Life Assurance Co. of Canada will call for tenders within the next three or four weeks for a 4-story modern office building for its head office here.

Plans and specifications are being prepared by Moody & Moore, Winnipeg architects, for an ultra-modern building of Tyndall stone and marble exterior to be built on property on Broadway and Smith St.

The company employs a staff of about one hundred in its head office here. Its new building will have 40,000 ft space. The basement and first two stories, and part of the third if it is required, will be occupied by company personnel. The rest will be available for office rental. The specifications allow for additional stories when they are required.

LABOR AND THE LAW

Substitute For Sick Man Not Governed By Seniority

Significant judicial, grievance and administrative decisions in the labor field are reviewed in this regular Post feature. Principles basic to industrial relations, unemployment insurance and labor law are highlighted. Here is another case:

Tony was sick, couldn't come to work. After a few days, his immediate boss decided he'd have another employee, Frank, do Tony's work temporarily.

Tony had been working for the company as a serviceman ($1.40 per hr.) for four hours every morning and a lead hand ($1.50 per hr.) for four hours every afternoon.

For a week Frank filled in, drawing pay at the same rate as Tony had. Then Tony came back, healthy once more.

But that didn't end it. Another employee, Stan, entered a grievance, saying that he should have had the temporary "promotion" because he possessed more seniority than Frank.

The Union (CIO-CCL Steelworkers) backed Stan, contending he had both the seniority and the ability for the job.

The affair went to an arbitration board, with the company arguing that it had considered the most senior employee for the temporary job and found him without necessary qualifications. It submitted that having considered the most senior replacement and rejected him, the labor contract left it free to choose any one else, without regard to length of service.

And, said the firm, in such temporary situations it isn't always practical to follow strict seniority. Further, Tony's job could not be classified as "vacant."

The board majority supported the company. It said:

"Tony's position had not been vacated in the generally accepted meaning of the term.

"Frank was not promoted. To be promoted there must be a change in status and for a promotion to have meaning there must be a position vacant to which the employee was promoted.

"In the opinion of the board, although the company might well have assigned the temporary . . . duties to the senior employee in the interest of employee relations . . . we do not hold that Frank was given a promotion."

The union man on the board disagreed. He said Frank's status had been changed, he had received additional pay, he had worked in a different job. Therefore, there must have been both a vacancy and a promotion, no matter how temporary.

Source: Labor Arbitration Cases published for the Central Ontario Industrial Relations Institute by Cartwright & Sons, Toronto.

C.P.A. Gets More DC-6Bs

Canadian Pacific Airlines this week added the first of four $1,250,000 Douglas Super DC-6B's to its fleet, as the initial step in a program which will eventually double the number of aircraft on its overseas lines.

A second weekly flight between the Antipodes and Europe will be added in April, and an extra flight is planned on the Canada-Mexico run.

Delivery of the second new airliner is scheduled for early next month. The craft are being purchased from the Douglas plant, Santa Monica, Cal. CPA plans to use the other aircraft to establish a third weekly flight between Vancouver and Amsterdam. The 1,000th westbound passenger on this route was recently registered within six months of the inaugural flight last June.

Ont. Tobacco Crisis Near

The tobacco marketing crisis in Ontario likely will come to a head later this month at a meeting of the directors of the producer-buyer Ontario Flue-Cured Tobacco Marketing Association.

Two broad alternatives are open to the Association:

—It can abandon acreage quotas designed to balance supply and demand, either by dissolving itself or by inviting all members to plant as much tobacco as they wish.

—It can accept as members those freelance growers who have applied. The independent growers who haven't asked for membership would remain free to plant all the tobacco they want.

What action the Association takes will depend upon whether it believes there will be too many independent growers this year who will take advantage of board quotas and prices by growing and selling large quantities of tobacco. This is what happened in 1955.

It still seems that a return to the free market is possible for the $60-million tobacco crop.

Cdn. Car Sales At Good Pace

Business eyed the auto world this week for developments which give some hint of future sales and intentions.

This was happening:

—Canadian auto sales still appeared to be holding up extremely well, although no figures are available. The outlook: Still optimistic.

—Yet patches of pessimism remained in the U.S., and in some cases spread more widely. Nevertheless, January sales in the U. S. were running at near-record levels at mid-month.

—Mack Trucks of Canada announced plans for a $1 million head office in Montreal to be completed in June.

—Chevrolet unveiled its 1956 Corvette sports car in the U. S. It has roll-down side windows, power-operated fabric top and optional removable solid top. The plastic-bodied car has 225 hp, 15% above the previous peak.

—A Board of Transport Commissioners decision on the application of Wilcan Shipping Corp. to carry Chrysler Corp. products between Windsor and the Lakehead (The Post, Dec. 24) is expected soon. It will have wide implications for auto transport. Wilcan's application was backed by the Canadian Automobile Chamber of Commerce, among others; opposed by Canada Steamship Lines and CPR.

Willys Produces New Jeep Model

Willys has added another jeep. It's called the CJ-6, has the usual four-wheel drive, a 101-in. wheelbase, half-ton load capacity.

Willys officials say the new vehicle was designed to increase Jeep sales in certain industries and agriculture, where an increased payload is desired.

It fills the gap between the standard quarter-ton Jeep with 81-in. wheelbase and the one-ton Jeep truck with 118-in. wheelbase.

Plan New Airport Near Vancouver

The Department of Transport has chosen the site of a second airport for Vancouver, near the town of White Rock, 25 miles from downtown Vancouver.

This airfield will increase the safety factor at Vancouver International Airport by syphoning off much of the light plane flying, flying training and business flying. The two fields will be 18 miles apart.

D.O.T. will build the new airport with an eye to its development as a secondary airfield for big passenger planes, if the principal airport should be weathered-in.

D.O.T. also said last week that it was looking around for another site nearer to Vancouver for "a smaller satellite field intended solely for the use of light craft."

Pressure High For Early GM Settlement

Pressure was building at midweek for a settlement of the 17,000-man General Motors strike, entering its fifth month.

Union members, with savings depleted, were looking for a compromise deal.

So, no doubt, were GM dealers and parts suppliers, whose business has steadily declined.

Negotiations were to reopen at midweek, following a disappointing negotiating session a few days earlier. There had been hope the Union would modify its stand but a GM spokesmen said the "new" union package was "just the same" as the old.

It seemed the next development would entail both CIO-CCL United Auto Workers and GM giving in a little from previous firm stands.

The company was still standing by its offer of a package worth about 18c hr. (an unofficial estimate), including supplementary layoff benefits. The Union was still asking more money than GM has been offering plus a company-paid medical-hospital plan.

it took three flatcars...

TO MOVE THIS GIANT KILN

The illustration shows the kiln being shipped out on *three* flat cars. On reaching its destination it will be used for the quick drying of cement blocks.

It measures 109 feet from end to end, (8 feet internal diameter) and is constructed basically of welded steel plate, with a built-in hydraulic door.

An undertaking of this size requires careful planning and forethought by men with experience and specialized knowledge. Toronto Iron Works has such men. This is just one example of their many achievements in steel plate fabrication.

If you have a job you want done well—they are at your service:

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TORONTO • MONTREAL
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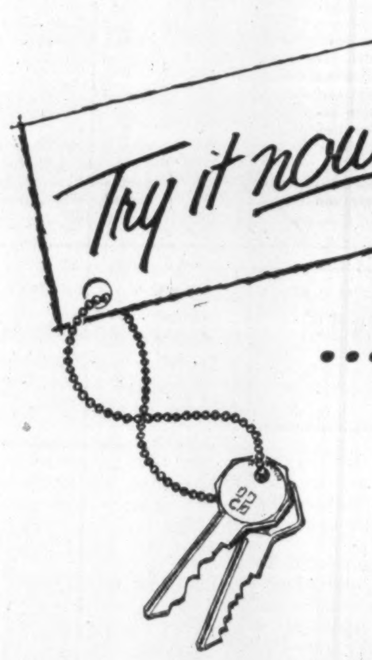

DODGE Mayfair V-8

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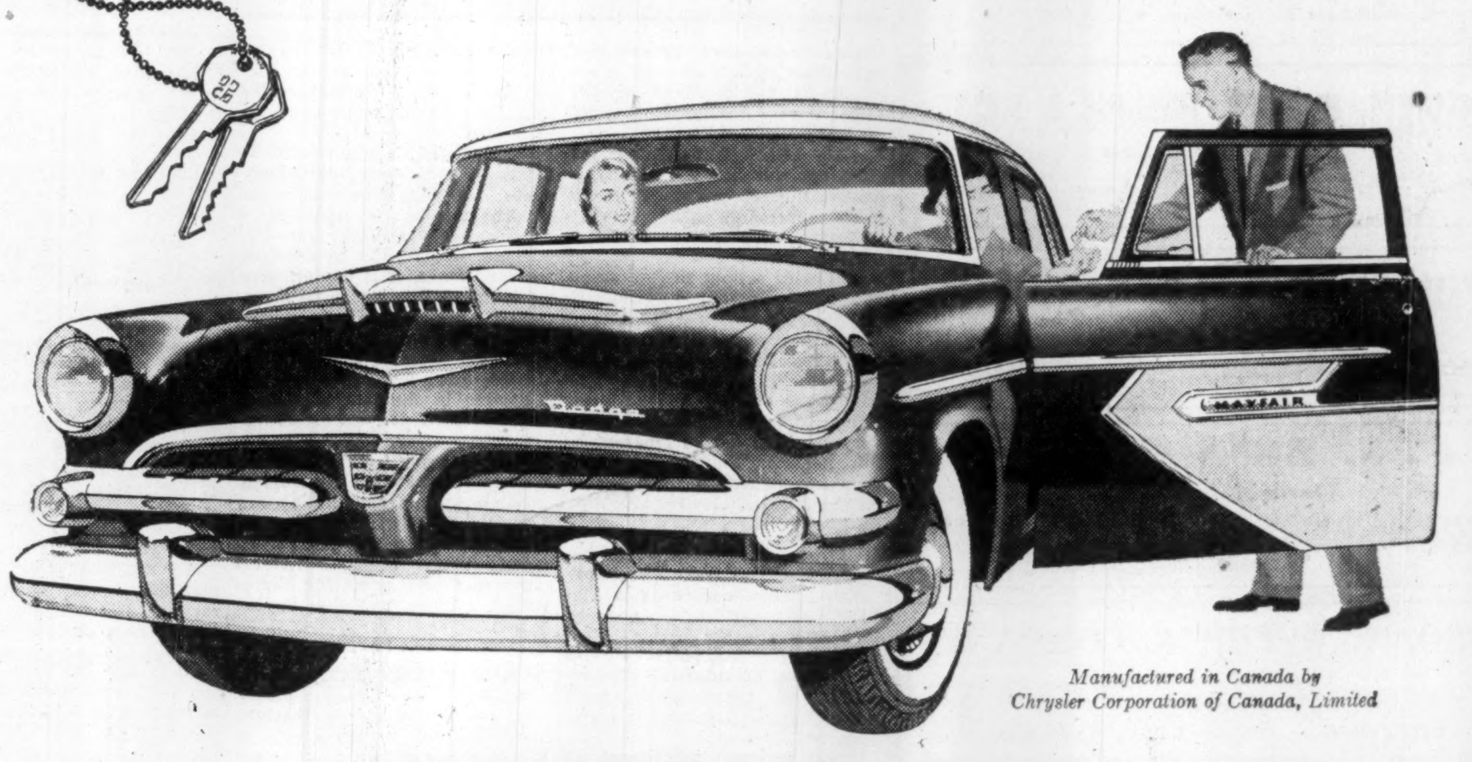

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Try the smooth getaway of PowerFlite! Here's the easiest, most effortless way to drive . . . PowerFlite automatic transmission with new *push-button* controls! Just touch a button . . . step on the gas . . . and GO! Push buttons are conveniently placed on the driver's *left*. Optional on Dodge Mayfair, Regent, and Crusader, standard on Custom Royal.

Thrill to the exciting go-power of 200-h.p. V-8 with Power Pak! As a teammate to PowerFlite, this great new V-8 puts 200 horsepower at your command. And there's new higher torque for livelier response. Higher compression and unique combustion chamber design squeeze extra mileage from each gallon of gas. Just for the *fun* of it, drive a Dodge Mayfair with Hy-Fire V-8 . . . and see what we mean!

Admire the soaring lines of Flight-Sweep styling! You can feel that "let's-go" spirit at first sight! Forward-thrusting hood and taut body metal give your Dodge an eager, ready-to-go look! Rear fenders sweep skyward in dramatic fashion to set the trend for cars of tomorrow. Visit your Dodge-De Soto dealer soon for an eye-opening demonstration . . . and bring the whole family along for the ride!

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WINDSOR, ONTARIO

Nestor's Stocks Up 52% in Three Years

(Continued from page 23)

running near $1.80 a share, up from $1.64 in 1954.

Natural Resource Firms

Among natural resource companies chosen by Nestor, **British American Oil** is the highlight with an 83% advance in three years. This company had record consolidated net earnings in 1955 but when the annual statement appears, little change in per share earnings over 1954 is expected to be shown because issued capital has been increased.

Asbestos Corp. with a 65% rise is enjoying heavy demand for asbestos fibre that has resulted in price increases of 5% to 10% by some companies recently. The company has increased its indicated dividend rate from $1.25 to $1.60 annually and 1955 earnings were probably around 15% higher.

Falconbridge Nickel Mines, with a 38% rise, most of which occured in 1955, is reflecting sharply higher indicated dividend rates with earnings expected to be substantially higher as company reports record results, although writeoffs are also climbing.

Imperial Oil, although down from its late 1954 price level, is expected to show earnings above 1954, perhaps around $1.90 a share. Stock has risen 9% in three years.

Consolidated Mining and Smelting, enjoying higher prices for its products should show higher profits for 1955. Share price shows modest 10% advance since stock chosen. **Canadian Pacific Railway** also has climbed moderately (5%), reflecting higher cash dividends paid by Smelters which CPR controls and improvement in railway activity. Earnings for 1955 could be well up at close to $3 a share from about $2.

Noranda Mines with its Gaspe Copper property in production and strong demand and higher prices for copper has already reported earnings in the first nine months ($2.21) equal to the full 1954 year. These shares were one of the highlights among natural resource issues and show a 50% advance since chosen.

Pacific Petroleums, with a rise of 15% over the three years, is attracting growing attention because of its participation in the Westcoast Transmission gas line which will move Peace River area gas to the Canadian west coast and into the U. S. Most of the rise in Pacific Pete occurred following approval by U. S. Federal Power Commission of purchases of this gas by U. S. firms.

Hollinger Consolidated's 54% gain in three years reflects its iron ore interests in the Ungava area despite expected lower earnings for this year.

A basic rule for the careful investor is to watch for changes in business conditions and in companies. Securities should not be locked in safety deposit vaults and forgotten, even if the objective behind their purchase is long-term growth. Nestor follows this principle and in 1955 he decided to make two changes. He added **Moore Corp.,** and **Steel Co. of Canada** and removed **Dominion Tar & Chemical** and **General Products A.**

(Explanation of these moves . . . made, essentially, because the companies added were showing a faster growth rate than those for which they were substituted . . . and how they affect calculations of changes in the list were given in The Financial Post, Oct. 15, 1955.)

The two newcomers to the list are also enjoying increased business. **Moore Corp.** earnings are believed to have been higher with demand for its products strong and **Steel Co. of Canada,** along with other steel firms, has experienced greatly increased sales. Final net profit for 1955 may be as much as 30% above 1954's $3.57 a share, according to some estimates.

'Nestor' Selected These Stocks For Growth Potential

	Price Dec. 30/55 $	(1) Index of Growth	(2) UV-OV Levels $	% Above UVL	% to OVL	Earnings per share (3) Latest Reported Fiscal Yr. $	Earnings per share Interim (months) $	(4) Indicated Dividend Rate $	Price Earnings Ratio	Yield %	(5) Risk
GROWTH COMPANIES											
Aluminium Ltd.	108	9.0	55-135	36	25	3.87	3.69 (9)	■2.20	27.9	2.04	I
Atlas Steels	18½	8.9	15-45	23	143	0.27	1.40 (9)	nil	68.5	. . .	M
Canada Cement	34¾	4.8	21-52	65	50	2.14	1.51 (7)	1.00	16.2	2.88	M
Canadian Celanese	20¾	**	12-35	73	69	0.54		0.75	38.4	3.61	M
Consolidated Paper	35¾	7.0	19-49	88	37	•2.31	1.32 (6)	•1.50	15.5	4.20	M
Distillers Corp.-Seagrams	38¼	10.6	24-60	59	57	■3.54	1.10 (3)	1.70	10.8	4.44	M
Dominion Stores	34¼	5.2	19-47	80	37	2.14	1.17 (6)	1.00	16.0	2.92	M
Howard Smith Paper Mills	40¼	10.0	20-52	101	29	2.70		1.20	14.9	2.98	M
Industrial Acceptance	53	4.8	35-78	51	47	5.39	2.49 (6)	2.50	9.8	4.72	M
MacMillan & Bloedel B	42⅜	6.9	22-50	93	18	3.57		1.00	11.8	2.36	M
Massey-Harris-Ferguson	9½	16.4	7-20	36	111	0.76		0.60	12.5	6.32	M
Moore Corp.	41	6.8	32-54	28	32	2.87		■1.60	14.3	3.90	M
Powell River	56¾	8.0	26-63	118	11	2.68	1.39 (6)	1.85	21.2	3.26	I
Simpsons Ltd.	17¼	13.6	15-36	15	109	0.85		0.50	20.3	2.90	M
Steel Co. of Canada	58¼	9.6	33-80	77	37	3.57		1.50	16.3	2.58	I
Zeller's Ltd.	24½	6.9	17-35	44	43	1.64		1.00	14.9	4.08	M
NATURAL RESOURCE COMPANIES											
Asbestos Corp.	42	5.6	17-48	147	14	2.43		1.60	17.3	3.81	I
British American Oil	37¾	7.7	21-48	80	27	2.16	1.09 (6)	0.85	17.5	2.25	I
Canadian Pacific Railway	33⅞	**	17-57	99	68	1.94		1.50	17.4	4.43	M
Cons. Mining & Smelting	36¼	**	22-48	65	32	1.55		1.75	23.4	4.82	I
Falconbridge Nickel Mines	31	9.2	15-39	107	26	1.24	0.72 (6)	1.10	25.0	3.55	M
Hollinger Consolidated	23⅞	**	10-27	139	13	0.45	0.18 (6)	0.24	52.9	1.01	S
Imperial Oil	39	13.1	31-71	26	82	1.66	1.42 (9)	1.00	23.5	2.56	I
Noranda Mines	56¼	11.8	35-62	61	10	•2.21	2.21 (9)	•2.00	25.5	3.56	M
Pacific Petroleums	13¾	**	6-18	129	31	loss		nil	. . .	. . .	S
Placer Development	36½	**	16-51	128	40	2.37		†3.00	15.4	8.22	S

(1) Figures indicate, at current growth rate, number of years in which value of equity behind common stock should double. Index of growth is not as significant in valuation of natural resource companies as their holdings of resources. These figures are preliminary and subject to moderate revision awaiting publication of 1955 earnings and balance sheet data.

(2) UV (Under-Valuation) and OV (Over-Valuation) Levels are prices at which the particular stock is adjudged as underestimating or overestimating its rate of long-term growth. Awaiting publication of 1955 earnings and balance sheet data, figures are tentative and subject to moderate revision. See "How to Read the Charts" on page for full explanation of these ratings.

(3) Earnings are for 1954 except for: Canada Cement (Nov. 30, 1954), Distillers Corp.-Seagrams (July 31, 1955), Dominion Stores (March 19, 1955), MacMillan & Bloedel (Sept. 30, 1955), Massey-Harris-Ferguson (Oct. 31, 1954), Simpsons Ltd. (Jan. 5, 1955), Pacific Petroleums (Feb. 28, 1955), Placer Development (April 30, 1955).

(4) Based on current rate or payments made in 1955.

(5) I, M, S equal Investment, Medium and Speculative Quality, respectively. Factors of importance in determining the investment risk are the nature of capitalization (debt, preferred and common ratios), continuity of earnings and dividend, relative size of the firm in its industry, current financial ratios, extent of activity in shares, and its investment and financial sponsorship.

■ U. S. currency. **More than 20 years.

• Adjusted for stock split.

† Placer dividends are not eligible for the 20% tax credit for income tax purposes because, for tax purposes, the company is classified as a foreign business corporation and, as such, is exempt from Canadian corporation income tax.

Market Comment

What stocks and bonds are doing and what prominent observers say

There is plenty of evidence that large-scale stock switching is going on in the big U.S. market these days. Announcements of moderate cutbacks in auto production with resultant impact on steel demand has taken a good deal of the pep out of key issues in these formerly popular market industries. This means a highly irregular day-to-day market action with selling in key steels and autos exerting a generally downward pressure on prices.

As was expected Canadian markets have not been able to maintain their rapid New Year momentum in the face of New York heaviness. But there is still a very strong potential inherent in this market. Volume in recent days has dried up considerably on the downside.

* * *

JOHN A. BOYD, Jr.: Andras, Hatch & McCarthy (Toronto)

The general consensus is that 1956 will be at least as good as 1955 and possibly better. Most forecasters envisage a further rise in the level of industrial production but at a decreasing rate until mid-year, when a leveling off is expected to occur.

These forecasts are based on many factors, among which is the anticipation of the continuing strong demand for goods of almost all classes. Many industries which have been operating at optimum capacity have found themselves unable to cope with the strong demand for their goods. Because of this capital expenditures on new facilities and developments are anticipated to exceed slightly the record set in 1955 of just over $6 billions.

As opposed to this high level of optimism, these facts should be considered. The continued balance of payment difficulties being experienced in the U.K. could easily be reflected in our export trade. The probability of increasing political instability in France and increasing tension in the Middle East are unsettling factors. Credit restrictions here will tend to dampen any further rapid upward movement in the economy at this time. Corporate profits, which in 1955 reached their highest level, will continue to be the object of increased wage demands by labor. Competitive factors, both domestic and foreign, will exert a continued squeeze on profit margins.

Over-all 1956 corporate earnings should not vary greatly from those of 1955 although there may be wide differences in individual situations. At 480 on the Dow Jones Industrial Average stocks are selling at approximately 14.8 times last year's estimated earnings. Thus, unless stocks are to become considerably overvalued in relation to earnings, no substantial market rise is foreseeable or should be expected over the near term.

Reserves, of course, should be fitted to suit each individual's needs. At this time short-term government bonds represent a very suitable medium for this purpose. As regard to common stock holdings, it is advised that all sound quality issues be maintained, especially those concerned with the development of natural resources; this in spite of the chances being more favorable for a decline in the market than a continuation of the upward movement.

The reasoning is that investors are notorious at being unable to outguess the market. In 10 years it would be most surprising indeed if investors did not regard today's prices of good natural resource stocks as having represented a most favorable buying period.

* * *

BAKER, WEEKS & CO. (Montreal)

It is clear, of course, that the business boom at the outset of 1956 is a less dynamic force than it was a year ago. But no convincing case can be made for a drastic recession in business volume and profits. Current downtrends in automobile production and housing starts are making headlines but provision for softness in these areas has been made in the well-reasoned forecasts of aggregate volume of profits in 1956 topping the 1955 record.

To be sure, it is implicit in most of the current forecasts that the boom will top out toward the second or third quarter and that the trend will be mainly downward in the second half. Traditionally, that would call for some anticipatory decline in stock prices and, indeed, expectation of a business downturn is already influencing the thinking of a fair number of investors. But there are other factors to consider.

First is the character of the current boom and the way it is being flattened out. The buoyant phase from mid-1954 to date has resulted mainly from creation of an environment in which freer rein has been given to natural driving forces. Chiefly, these natural expansionist tendencies flow from (A) Widespread purchasing power, (B) The innate desire of a progressive and growing population for an ever higher standard of living, and (C) The competitive urge of modern business, spurred by the profit motive, to take active advantage of accelerated technological advances to serve the growing markets so created for goods and services.

Admittedly, the buying public in its eagerness to satisfy its desires for new homes, autos and other durable goods, has created debt at a rate which, if it were permitted to continue, would lead to trouble. But inflation of debt is not being allowed to persist to the point where the structure would collapse of its own weight. On the contrary, monetary restraints are being applied judiciously to control the boom and prolong prosperity.

* * *

DON J. ROGERS: Equitable Securities Canada (Toronto)

When the progress of our Canadian corporations over the past ten years is carefully considered, and the prospects for the next ten years evaluated, one comes to the almost inescapable conclusion that generally speaking Canadian common stocks are selling today for about their true worth. With the assurance that our Canadian economy will continue to grow in the years ahead, comes the assurance that carefully selected equities will also gain in value as the years pass.

We are suggesting to clients that they ignore short-term corrections and continue to look to the future of this country and to try and envisage what their securities are likely to be worth ten years from now. By then our population will have increased substantially through immigration. The rate of new family formations will increase sharply as the children born in the early 1940s mature and set up their own homes. The effect of this growth, coupled with the development of our natural resources, can scarcely have other than continued favorable influence on Canadian common stock prices.

There is a further point of bear in mind when dealing in Canadian equities—the floating supply of quality growth stocks is steadily diminishing. Many open-end funds have been formed in Canada and the United States for the purpose of acquiring an interest in these equities. Pension funds are becoming increasingly more interested in our equities and there is evidence to suggest that this interest will continue to grow. Consequently, the investor or institution who sells a block of stock today in the hope of being able to repurchase it at an appreciably lower price, may well meet with disappointment. In this connection, it has been interesting to note in the past few days that despite weakness in American markets, as measured by the popular Dow-Jones averages, leading Canadian shares have remained relatively firm.

* * *

R. S. C. DONALD; The Western City Co. (Vancouver)

We do not expect the general level of industrial stock prices to vary widely from present levels during 1956. Resumption of the sustained market advance of 1953-55 is unlikely for many reasons: downturns in housing and automobiles, tighter credit policies, political and international uncertainties, heavy repayments of installments credit, and the fact that a fully extended economy offers little possibility of substantial increases in earnings.

On the other hand, a major downturn seems unlikely; anticipated declines in automobiles and housing are not drastic, higher capital outlays and military spending will be powerful supports for the economy, stock prices are generally reasonable, and very rapid action to relax credit is to be expected if a recession should begin.

These considerations suggest that 1956 should be a good year but also a year of caution. Investors who accumulate cash reserves may later have attractive opportunities to acquire oils, steels, pulp and paper shares and other growth stocks. Any setback this year should only be a pause in the trend of long-term expansion, and we do not think it will affect the enormous growth which we foresee for Canada in the next ten years.

New Highs and Lows

During the week ended Jan. 14, 20 new highs and 21 new lows were recorded among the general stocks on Canadian stock exchanges. In the mining group there were 37 new highs and four new lows. In western oils there were six new highs and seven new lows.

GENERAL

New Highs—1955-56

Brant. Cord A
B. C. Elec 5% pf
Brown Co.
Cdn. Ingersoll R.
Carling Br. Alta.
Cochrane-Dunlop
Crow's N. Coal
Dow Brew.
A. J. Freiman
Gurney Prod.
Imperial Bank
Nfld. Lt. & Power.
Pembina Pipeline
Reynolds—Alum.
Robinson Little
Shirriff-Horsey
Steel of Can.
Surpass
Trans. Mt. Oil
Watermans Pen

New Lows—1955-56

Ang Can Pulp pf
Calg'y Pwr 5% pf.
Can Cr. & C. Stone
Can. Forg A
Can Malting
Cdn. Gen. Inv.
Do. Rights
Cdn Ice Machine A
Fanny Farm
Gen. Motors
Gen. St. Wares pf.
Inter Paints A
McColl pf.
Mercury-Chip
Midwest Ind Warr
Regent Refin.
Shawgn 4½% pf B
Sicks Brew V.T.
Third Cdn G Invest
Do. Rights
Wainwright

MINING

New Highs—1955-56

Acadia Uran.
Alba
Amer. Standard
Arjon
Arno
Aumaque
Blue Rock
Bouzan
Cartier Mal.
Central Patricia
Chem. Research
Chib Kayrand
Coldstream
Cons. Cent. Cad.
Cons Denison Warr
Cons. Fenimore B Warr.
Cons. Northland
Copper Man
Desmont
Duvan
Grandines
Indian Lake
Koote Base
Labrador
Macassa
Min Ore
Mont Gary
N. Lafayette
N. Vinray
Nickel Rim
Ormsby
Quatsino
Que. Smelters
Slocan Van Roi
Temagami
Vananda "48"
West. Mal.

New Lows—1955-56

Algom Debs
Barnat
Cobalt
Tiara

OILS

New Highs—1955-56

Dome
Great Plains
Nat Pete.
Nordon
North Can warr
Northland

New Lows—1955-56

Calalta
Can Oil L'ds warr
New Gas
New World
N Can 5¼% pfd
Sapphire 5% debs
West. Warner

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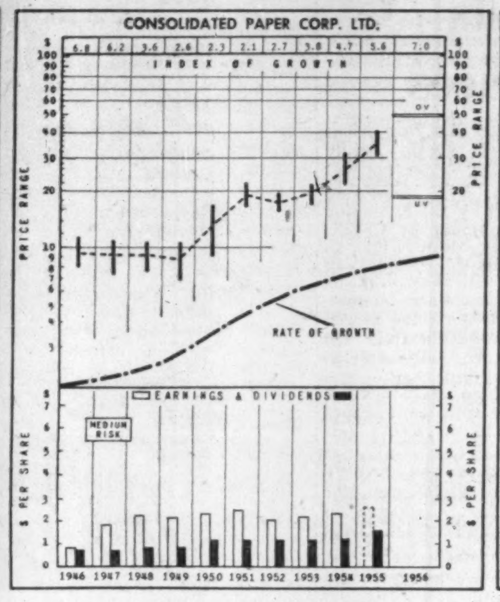
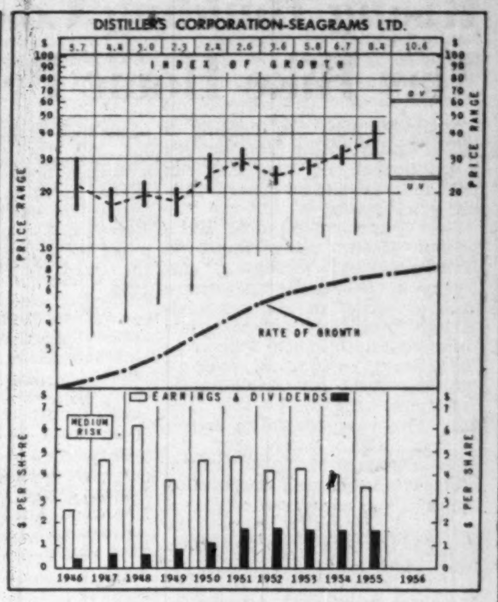
Selected Growth Stocks — Quarterly Review — By NESTOR

The Financial Post's exclusive series of Selected Growth Stocks was chosen by one of the continent's most prominent and successful investment advisers. The reasons for choice shown below the accompanying charts were those given when stocks were chosen in January, 1953. Each will be reviewed quarterly. Publication of this series in The Post does not constitute a recommendation to buy these stocks.



CONSOLIDATED PAPER is one of the largest producers in Canada of newsprint paper, and pulp and paper products; also produces plastics and other materials or byproducts. Markets are in the United States, Canada, Great Britain, Eire, South Africa, Australia, New Zealand, the West Indies, India and South America, where demand for paper products is rising. Earnings have shown gradual uptrend with further growth believed ahead.



DISTILLERS CORP.-SEAGRAMS is the largest distiller in Canada as well as a leader in the industry in the United States, where over 90% of its business is done. Company has been characterized by aggressive salesmanship and sensitivity to changing public tastes. Company is also engaged in development of oil, and this division could eventually make a substantial contribution to profits. Subject to cyclical conditions within the industry earnings have shown steady expansion as has net worth. Emphasis on research should keep this firm a leader in its field.

Cons. Paper

Consolidated Paper trading recently at $34½ or 103% above UV level. Could rise another 34% before reaching OV level. Price is 13 times estimated earnings for full year based on first half results. Yield is 3.62%, basis of $1.25 annual dividend. Price range this year $36-$34.

Increased newsprint price of $4 per ton as strong demand continues and short supply situation. Consolidated mills operating at high level. (Industry continues to run above rated capacity.)

Company's program to boost capacity by 100,000 tons progressing satisfactorily. Expects to reach tonnage budget in output this year.

Tight supply situation resulted in allocations by some companies. New capacity coming in may overcome need for this later year. U. S. consumers' stocks at 33 days' supply at end of November compared with 43 days' at same time previous year.

Outlook continues good for kraft and paperboard. Research by company expanding.

Company supplies perhaps 70,000 tons of some 100,000 tons used annually by Quebec publishers. Premier Duplessis indicates plans to go ahead with newsprint control legislation.

Seagrams

Distillers Corp.-Seagrams trading at recent $38 or 65% above UV level has room for a 54% rise before reaching OV level. Price is 8.63 times indicated earnings for fiscal year 1955-56 based on first quarter results. Yield is 4.47%. Price range so far this year is $39-$37½.

Industry generally considered extremely competitive for sales in buyer's market with growing promotion costs and declining profit margins. Recent study points out situation is characterized by ample stocks, productive capacity still in excess of requirements and production about equal to consumption. There has been a trend in public taste toward straight whiskies as opposed to blends.

In the fall, Distillers started to market in the U.S. a "blend of straight whiskies" under trade name "Four Roses." Market is gradually being developed. Company's marketing organization was also reorganized. It purchased three distilleries for $6 millions from National Distillers Products Corp.

Conservative dividend policy resulted in buildup of large undistributed surplus. Oil exploration and development has provided an investment outlet. Investment in oil advanced to almost $15.6 millions at July 31, 1955, from $3.8 millions at same date previous year. A further $12 millions to $15 millions will be spent on oil and gas projects this year.

Company's sales understood up so far this year from last. Expenses are higher, profit about same level.

Formed Seagrams Overseas Corp. recently as a new company to push foreign business. Company still faces problems in some overseas markets including Europe, South America, because of currency and related restrictions. New Canadian company, the House of Seagram Ltd., has also been formed to handle operation of all Canadian subsidiaries.

Net profit for year ended July 31, 1955, was $31 millions or 13.5% lower than previous year. Profit in quarter ended Oct. 31, 1955, was $9,618,000, down from $9,655,000 in the same period last year.

How To Read the Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast-growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV and OV levels, a current quotation of say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figure in any given year.

RATE OF GROWTH: the rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

Background and principles behind the selection by Nestor were discussed in a special article in The Financial Post, Jan. 10, 1953. A limited number of reprints are available on request.

Doctors Want Tax Changes

Canada's 10,800 doctors feel income tax laws discriminate against them and they have devised a three-part revision which has been submitted to Finance Minister Harris.

The doctors ask:

—Wider tax free allowances for expenses incurred by attending medical conventions.

—Deferred tax on annuity savings.

—The right to depreciate over a period of years the cost of a medical education.

Currently, doctors may deduct as expenses against income from professional fees the reasonable cost of attending medical meetings of three types. They are the annual meeting of the Canadian Medical Association, a provincial medical association meeting and a society of specialists in the U. S. or Canada.

The C.M.A. claims, however, that these meetings are only part of the essential postgraduate education opportunities available to Canadian doctors and it asks that "Additional or alternative scientific meetings not subject to geographic limitations should be provided for by regulation of the Department of National Revenue." The Canadian Medical Association adds that it is prepared to assist the Department in identifying these meetings and passing upon the individuals entitled to attend.

In explaining its position, the Association says, the true interpretation of a doctor's expenses in attending medical conventions is that he is maintaining and improving his chief capital asset—his fund of knowledge. A doctor who allowed his fund of knowledge and his technique to deteriorate, the Association adds, would be as guilty of bad business practice as the manufacturer who allowed his machinery to get into disrepair or allowed his roof to develop leaks.

The Association also called for a re-appraisal of annuity legislation. It asks that doctors and other self-employed taxpayers be enabled to make provision for their own retirement by permitting income tax deferment on personal purchases of annuities and other retirement funds in the same manner as now applies to members of approved pension plans.

"The meagre estates left by doctors indicate that many of them reach the age of retirement without adequate resources," the Association says.

According to C.M.A. records, the average specialist starts to earn at the age of 32 and only reaches an adequate income at 37. His income normally drops sharply at the age of 60.

Depreciation of education costs was the Association's third point. It estimates that the education cost of a doctor up to the end of one year's internship is $11,572. At the end of two years' internship it is $12,468. The additional three to five years of extra training required for specialist standing would increase the cost substantially.

"This should be deductible, as a capital expenditure, on the basis of depreciation, over the productive years of the taxpayer," the Association says.

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THE INVESTMENT FUNDS

Mutual Accumulating Fund Value Up 71.6% In Year

Mutual Accumulating Fund net assets rose to $11,112,969 at Dec. 31, 1955, 71.6% higher than $6,477,422 at Dec. 31, 1954, and 7% higher than $10,386,999 at Sept. 30, 1955.

Net asset value per share at the end of 1955 was $6.15, 19.4% higher than $5.15 a year earlier, and 0.6% lower than $6.19 at the end of the previous quarter.

The management states that its policy is still to invest in eligible stocks provided their income and growth potential appear more attractive than the security and income offered by eligible bonds. The recent acquisitions of bonds have built up a reserve considered valuable both as protection for the substantial gains already made and as a source of funds when it is considered advisable to increase common stock holdings, company states.

Two notable changes during the last quarter were the addition of Government of Canada short-term bonds, which now comprise 8.9% of the fund, and the increase of steel share holdings to 5.2% from 3% of fund.

At Dec. 31, 1955, Mutual funds were invested in 49 common stocks (47 at Sept. 30) which represented 76.9% (82.9%) of total assets, interest bearing deposits 13.1% (11.7%), government bonds 8.9% (nil), and net cash and receivables 1.1% (5.4%).

Changes during the quarter included:

—Addition of Dominion Foundries & Steel, Page-Hersey Tubes and Steel Co. of Canada.

—Reductions in Canada & Dominion Sugar, Dominion Oilcloth & Linoleum, Laura Secord Candy Shops, McIntyre Porcupine Mines and National Drug & Chemical.

Here are the changes in detail:

Common Stock:	Shares held at Dec. 31	Change since Sept. 30
Can. & Dom. Sugar	2,120	—1,000
Dom. F'dry & Steel	3,000	+3,000
Dom. Oilcloth	1,000	—1,000
Laura Secord	1,200	—2,000
McIntyre Porc.	1,000	—1,000
Nat. Drug	7,600	—400
Page-Hersey	1,095	+1,095
Steel of Can.	6,865	+1,565

Bank Staff Changes

Royal:

W. R. ALLISON, manager, Wellington & Pinhey, Ottawa, to be manager, Shopping Centre, Dorval, Que.

J. G. CUNNIN, acting manager, Hinton, Alta., to be manager, Drayton Valley, Alta.

C. L. LYNCH, manager, Shopping Centre, Dorval, Que., to be manager, Verdun & Woodland, Verdun, Que.

D. A. BRISCOE, accountant, Vancouver, to be manager, Fraser & 49th, Vancouver.

C. E. MURPHY, Stettler, Alta., to be assistant manager, Calgary.

D. H. HORN, accountant, Bonnie Doon, Edmonton, to be acting manager, Hinton, Alta.

G. G. McKAY, accountant, King & Spadina, Toronto, to be accountant, Yonge & Bloor, Toronto.

S. A. MIDDAUGH, Islington, Ont., to be accountant, Durham, Ont.

J. E. BUTLER, accountant, Durham, Ont., to be accountant, Market Branch, Hamilton, Ont.

G. R. BLACKADAR, Halifax, to be accountant, Sackville, N.B.

J. M WILSON, Yonge & Bloor, Toronto, to be accountant, Eglinton & Tarlton, Toronto.

R. BOULTER, Eglinton & Sinnott, Toronto, to be accountant, Geraldton, Ont.

C. S. SCOYNE, Spadina & College, Toronto, to be accountant, Bayview & York Mills, Toronto.

E. HOLTBY, Calgary, to be accountant, Bonnie Doon, Edmonton.

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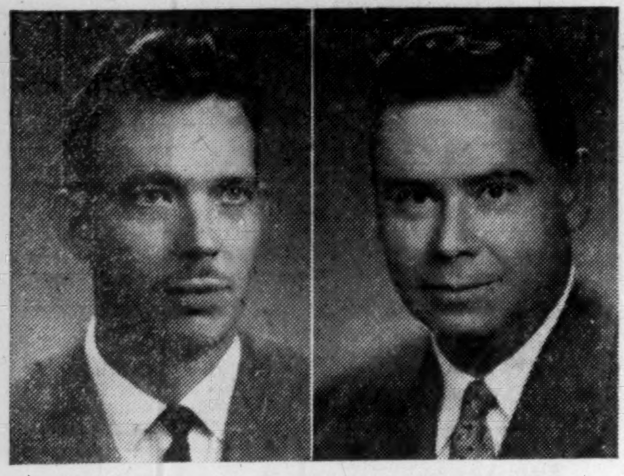

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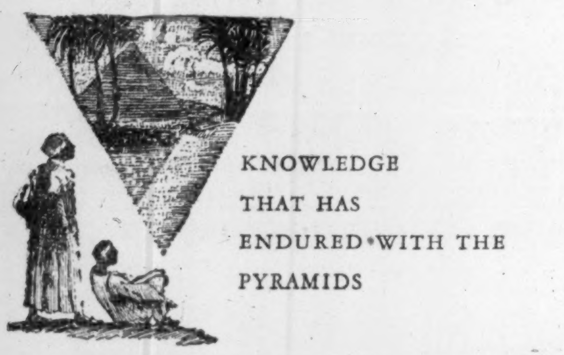
Gilbey's Ltd., Gin and Whisky Distillers, announce the appointment of John A. Starr as Comptroller and Garnet M. Smith as Purchasing Agent of the Canadian operation.



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CONSTRUCTION TRENDS

Rising Building Costs May Hike Home Prices

Home-builders are fighting a battle against rising costs but it's a question of how long they can hold their ground on general selling price levels.

Last year, by building more houses faster, using improved techniques and increasing efficiency of operations they were able to soften the impact. Although, land, labor and materials costs went up by about 5% across the board, estimated over-all building costs for single-family dwellings were up by less than 2%. This year, it's still a matter of conjecture whether they will take advantage of higher Central Mortgage & Housing Corporation appraisals to adjust selling prices.

Almost generally, across the country, building trade wage rates have gone up in the past year by from 5c to 10c an hour. There have also been price increases in many types of building materials. While cement and paints remained steady, a sharp boost in the price of copper wire shot the electrical equipment and fixtures index from 129.8 in August to 141.3 in September. Lumber prices have been edging up and also the cost of such items as asphalt shingles and wire nails.

Land Prices Higher

Increases in land costs varied considerably according to locality from just over 4% for the average bungalow to as much as 24% for the dearer single split level. The rise represented an average jump of about $100 over last year prices for lots for all single-family dwellings financed under the National Housing Act. Statistics issued last week by the Economic Research Department of CMHC make these points with regard to the third quarters of 1955 and 1954:

—The average construction costs for bungalows went up from $9.66 to $9.84 per square foot.

—The average constduction costs for single split level homes rose from $9.52 to $10.13 per sq. ft.

—Land costs up on average from $1,674 to $1,746 per unserviced lot for bungalows (a rise of 4.3%) and $1,978 to $2,459 for single split level homes.

These figures are based on the average estimated costs submitted by loan applicants.

CMHC also reports: Despite a 35% increase in the number of single-family and duplex dwellings completed in metropolitan areas and major urban centres during the first nine months of 1955, there were only 1,151 newly completed dwellings unoccupied at the end of September as compared with 1,252 the previous January.

Here's how building trade wage rates have gone up in the past year. These are now the ruling rates in four major centres with year ago figures in brackets:

	Montreal	Toronto	Winnipeg	Vancouver
Bricklayers	2.10 (2.0)	2.46 (2.41)	2.25 (2.10)	2.40 (2.40)
Carpenters	1.90 (1.80)	2.30 (2.25)	2.05 (1.90)	2.22 (2.22)
Cement Finishers	1.70 (1.60)	1.97 (1.85)	1.40 (1.35)	2.22 (2.12)
Electricians	2.00 (1.90)	2.50 (2.43)	2.10 (1.90)	2.42 (2.40)
Painters	1.90 (1.80)	2.00 (1.95)	1.65 (1.65)	2.26 (2.22)
Plasterers	2.12 (2.0)	2.46 (2.40)	2.25 (2.10)	2.35 (2.30)

Source: Engineering and Contract Record

And here's how the price indices of residential building materials have gone up in some categories (1949=100).

	Lumber, etc.	Roofing, etc.	Electrical
1955	127.0	127.6	130.1
1954	124.3	120.3	119.7

Growth

Manufacturing plants new to Canada, expansions of existing industry across the nation

Areas, industries are invited to report their progress in this column.

TV Accessories

Canadian Aviation Electronics Ltd. expects to be operating in its new $156,000, 16,000-sq. ft. plant on Fraser St., Vancouver by March 1. When the Vancouver plant comes into operation new products will be TV accessories. The plant, which will carry $12,000 worth of equipment, is patterned on the company's modern Montreal factory and allows for further expansion. B. C. branch general manager is D. F. Manders.

* * *

Business Aids

Addressograph-Multigraph of Canada Ltd. is adding an 18,000-sq. ft. wing to its Toronto factory to enlarge manufacturing facilities. The company's factory, located in East York Township was occupied just over four years ago and operations have now outgrown available space. The addition will relieve overcrowding of present facilities and provide up to 25 more jobs. The addition, which will cost around $153,000, is expected to be ready for occupancy by the end of March.

* * *

Hardware Lines

W. C. Wood Co., Guelph, Ont., manufacturers of home freezers, milk coolers and electrical farm equipment has bought premises in Guelph of Taylor-Forbes Co. and will continue production and distribution of the latter firm's hardware lines in addition to its own. Transfer of manufacturing from W. C. Wood's Woolwich St. plant to the Taylor-Forbes location will be effected some time in March. W. C. Wood is also engaged at present manufacturing aircraft parts and other items for the defense program. It also carries out precision jobbing work for other industries in the company's special products division.

* * *

Pharmaceuticals

Parke, Davis & Co. (Canada), now building a $2 million factory at Brockville, Ont., and a supply depot in Vancouver, plans to open a branch office in Edmonton to distribute its pharmaceutical products.

* * *

Atomic Growth

AMF (Canada) Ltd., Toronto, new subsidiary of American Machine & Foundry, New York, represents the first expansion of the parent firm's atomic energy operations beyond the boundaries of the U. S. Gen. Walter Bedell Smith, vice-chairman of the parent company, and board chairman and president of AMF Atomics Inc., is board chairman and president of the Canadian company.

* * *

Meter Products

Rockwell Manufacturing Co. of Canada, Guelph, Ont., subsidiary of Rockwell Manufacturing Co., Pa., has begun production of Rockwell meter products in Canada for the first time at Guelph plant and has also opened a new sales office in Toronto. Complete meter servicing facilities and warehouse space have been added to the Guelph plant. The new Toronto office is the first opened by the company for sale of meter products and will also handle sales of Delta power tools in Canada.

* * *

Process Engineers

Catalytic Construction of Canada Ltd., Sarnia, Ont., process and construction engineers, has moved from its Wellington St. location to S. Vidal St. Reason: larger and more modern premises are needed because of growth of business during the past three years throughout Canada.

Structural Steel

Niagara Structural Steel Ltd., St. Catharines, Ont., has moved into its new plant and offices in the industrial section of that city. A major project on which the company is presently engaged is the steel trusses for substructure of Burlington Skyway, near Hamilton. Parent company is Revzen & Tomarin.

* * *

Toronto Industrial Commission announces the following developments in its area:

Food Products

Oxo (Canada) Ltd. plans to transfer its Canadian operations from Montreal to a 5-acre site at Don Mills and Mallard roads. Erection of a 25,000-sq. ft. single-story plant with air conditioning and special hygienic processing arrangements will start next month. The company is a subsidiary of Oxo Ltd., U. K. which has operations in 33 different countries.

* * *

Furnaces

Lennox Industries (Canada) Ltd., which opened its present plant at Brown's Line less than a year ago, expects to increase its staff by 30% on completion of a 50,000-sq.-ft. addition now building. The expansion will more than double the firm's present floor area and, with new equipment to be installed, will enlarge facilities for production of furnaces, oil burners and sheet metal work.

* * *

New Flavors

Seeley & Co. (Canada) expects to complete its new factory, laboratory and office bulding on Densley Ave. near Keele St. next month and will then move its operations there. The new building will include modern laboratory facilities for developing flavor concentrates for the food industry and perfume bases for cosmetic manufacturers and general industry. It will also provide expanded office and storage space replacing present warehouses.

Company Reports

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

Finance

NATIONAL TRUST CO., net profit for the year ended Dec. 31, 1955, was $478,502, 4.9% higher than $56,063, the net profit in the previous fiscal year.

Company had a total of $441,744,884 estates, trusts and agencies under its administration at the close of 1955, an all time high, up 7.3% over $411,693,417 at the end of 1954.

Annual meeting will be held in Toronto Jan. 24.

	1955	1954
Liabs. to public*	$60,417,140	$48,578,184
Sh'holders equity	6,847,360	6,788,859
*Secured by:		
Mtges. & sls. agree.	13,690,627	8,848,070
Off. premises	1,622,427	1,199,317
Liquid assets‡	51,951,446	45,319,656
Total	67,264,500	55,367,043
‡Includes bonds and stocks.		
Estates account	441,744,884	411,693,417
Net profit	478,502	456,063
Earned per share	$1.60	$1.52
Paid	1.20+0.20	1.10+0.20

CANADA PERMANENT TRUST CO. net profit for the year ended Dec. 31, 1955 was $174,848, 7.9% higher than the $161,983 earned in the previous fiscal year.

Company reports record total of assets under its administration $120.9 millions, 7.8% higher than at the end of 1954.

Capital, reserve and profit and loss balance now totals $3,190,748 ($3,135,900 in '54). Income taxes of $99,686 compare with $101,290 in 1954.

	1955	1954
Liab. to public, etc.*	$542,300	$638,399
Sh'holders' equity	3,190,748	3,135,900
*Secured by:		
Mtges. & sls. agree.	1,461,165	1,642,396
Liquid assets‡	2,271,883	2,131,903
Total	3,733,048	3,774,299
‡Includes bonds and stocks.		
Estates accounts	120,917,843	112,142,821
Net profit	174,848	161,983
Earned per Share	[illegible]74	$8.10
Paid	[illegible]	[illegible].00

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... in Service and Efficiency ... with New Head Office
... in Dividends To Participating Policyowners

The year 1955 was one of very substantial growth for Confederation Life. New life insurance of **$195,312,571** was the largest volume ever issued. It reflected the public's confidence in the company and the desire to obtain protection and promote financial security.

Dividends to participating policyowners reached a new record high of **$2,998,813** in 1955. A further increase for 1956 has already been announced.

Among Other Records Set In 1955 Were The Following

Benefits paid to living policyowners . . **$20,928,936**
Beneficiaries of deceased policyowners were paid **$7,414,615**
Annuities now in force provide, annually **$20,402,944**
Accident and Sickness benefits paid . . **$4,580,802**

During the past year, employers proved the wisdom of group life insurance by increasing their group protection to **$398,260,004** through Confederation Life.

Confederation Life appreciates the public confidence and support of its continuing policy of providing outstanding protection and savings programs.

Total assets now are $341,147,349 guaranteeing your company's policies

Policyowners Are Cordially Invited to Attend the Annual Meeting at the new Head Office, 321 Bloor Street East, Toronto, on Tuesday, January 24th at 11 a.m.

A copy of the annual report will be mailed on request.

Confederation Life
ASSOCIATION
Founded 1871 Head Office—Toronto

56-10

New Product News

Canned milk enters the golden age

The fleeting flavor of milk is a delicate thing at best.

To capture this elusive flavor better than ever before, Canco now produces a modern sanitary can with a special golden enamel lining. This new lining keeps the flavor of evaporated milk as good as the day it was canned.

Lots of other advantages to this new can, too. It looks better than the old-style can—opens with any type of can opener—stands up to rough handling without danger to the contents—displays better.

If you are suffering from a slump in evaporated milk sales, the new Canco sanitary can may be the answer. It's one more development that has made Canco the leading name in the can-making field . . . another example of Canco ingenuity. Whatever your packaging problem, call Canco first.

American Can Company of Canada Limited

CANCO

WEAR IT PROUDLY

Ottawa's New Tax Formula Has Stabilization Feature

OTTAWA (Staff) — Before the provincial governments reach any definite decision on Mr. St. Laurent's new tax proposal, they will want to know what the federal tax rate is to be after Mr. Harris's 1956 budget.

Under the new formula provincial revenues from Ottawa will depend, not on the gross national product as formerly, but on the yields of certain standard tax rates. Tax yields are much more variable, specially in corporation income taxes. They also depend on the rates which the federal Finance Minister may decide to levy each year.

Mr. St. Laurent's letter to the provinces sketches two proposals for removing some of the uncertainty from the proposed formula. These are:

1. A Stabilization Payment, designed to prevent provincial revenues from dropping too sharply in any one year. It assures each province unconditionally of the following:

—In the first year, the same amount — either in total or per capita — as in the last year of the present tax rentals. This is a concession to British Columbia. With its increasing population, it will get in fiscal 1957-58 its 1956-57 tax rental payment increased proportionately to the increase in its population.

—In the second year, at least 90% of the first year's revenues.

—In the third and subsequent years at least 90% of the average revenues of the previous two years.

This means that in the second year the drop in revenues cannot be more than 10%. In later years it cannot be more than about 15%.

This is a better guaranteed minimum than under the present agreements. It needs to be because tax yields can fluctuate more than g.n.p. But the provinces may urge that it is not enough. They may argue that, if they had to face a 15% drop in revenue in a poor year, they could not possibly cut expenditures by so much and might be forced to raise their own taxes.

Here's Effect Of New Formula

	1. At Income Tax Rates actually in effect in 1954	2. At Income Tax Rates in effect this year
	— $ Millions —	
Newfoundland	13.1	12.6
P.E.I.	3.4	3.3
Nova Scotia	22.1	21.3
New Brunswick	17.9	17.3
Quebec	144.0	139.1
Ontario	168.1	162.5
Manitoba	27.2	26.2
Saskatchewan	28.8	27.8
Alberta	34.1	32.9
British Columbia	41.5	40.1
Cost to Federal Treasury	500.1	483.4

This is what each province would have got from the new formula for the Taxation Year 1954. The total shown includes yields of the proposed Standard Rates of 10% of the federal rate on personal incomes; 9% of corporation profits; and 50% of federal succession duties; plus equalization payments to each province except Ontario.

It is based on the same population and income figures, but reflects the effect of the drop in the federal income tax on persons.

Payments Stable

2. An assurance against loss of revenue through reduction in federal tax rates. Ottawa's payments to the provinces will be based on 10% of the federal rate of personal income tax and 50% of the federal rate of succession duties in the first year of the agreement. If federal rates are cut after that, the payments to the provinces will be adjusted upward so that they correspond to the same proportion of the starting rate.

This doesn't apply to the corporation tax, where the provincial share is 9% of corporate taxable income, not of the federal rate.

It may become exceedingly complicated to apply to succession duties, because Ottawa is in process of overhauling the whole Succession Duty Act.

The adjustments will take account of changes in tax rates or personal exemptions. They will not bother with changes in permissible deductions either for persons or corporations.

Concealed in this provision is a minor inducement to rent personal income taxes to Ottawa. By renting them, provinces are assured of revenue equivalent to 10% of the starting tax rate. If they don't rent, their equalization payments and stabilization payments (if any) would be adjusted upward, but the tax abatement might remain at 10% of the going federal rate without adjustment.

Quebec taxpayers already felt the effect of this situation last year. They were given an abatement of 10% off their federal income tax early last year. Soon after, Mr. Harris reduced his rates of personal income tax, and therefore also reduced by one tenth the abatement in the federal tax. Under the new formula there is no assurance that the same thing might not happen again in any province which does not rent its personal income tax. It would be for the Federal Government to decide at the time whether to give an additional abatement or not.

The difficulty of forecasting just what provincial revenues may be under the new formula is shown in the accompanying table. It gives two calculations made by the Finance Department of provincial revenues for the 1954 taxation year under the new formula. In the first case the 1954 tax rates are applied to 1954 populations and tax yields. In the second case the lower 1956 rates of personal income tax are applied to the same base year.

FPC Hearings Start Feb. 14

Special to The Financial Post

WASHINGTON — Denying a motion by Northern Natural Gas Co. to dismiss Tennessee Transmission's pipeline application, the Federal Power Commission finally scheduled hearings to begin on Feb. 14.

FPC also consolidated applications of both Tennessee and Midwestern Gas Transmission, and will hold hearings on the complete plan to import gas from Trans-Canada Pipe Line Ltd. in the Midwest and export Tennessee gas to Montreal via Niagara Falls.

The hearings will finally get under way nearly two months after FPC attorneys first had hoped to begin. The earlier target date was Dec. 19.

Northern Natural, which tried to get the applications thrown out, contends that the planned route of Midwestern's 1,760-mile pipeline invades its planned market in Duluth, Minn., and Superior, Wisc. Northern Natural also charges that all phases of the Tennessee - Midwestern proposal are "defective and inadequate."

The consolidated hearings will include Midwestern's proposal to build a $98-million pipeline connecting Tennessee's southern lines with Trans-Canada near Emerson, Man., and to receive 204 million cu. ft. of gas at each end of the line. Hearings will also include Tennessee's proposal to supply Montreal with U.S. gas for three years or until the Trans-Canada line can be completed, and an application for authority to increase Tennessee's existing capacity.

Must Report Share of Profits In Each Province During '56

OTTAWA (Staff) — Canadian corporations will have to divide up their profits according to the province where they are earned, and report them to the federal tax authorities on a province-by-province basis. This will apply to the taxation year 1956—that is the tax returns made up in early 1957 — but not to the returns which have to be made in the next few months.

The change between this year's returns and 1957's results from the new federal-provincial tax formula proposed to the provinces this month by Prime Minister St. Laurent.

The precise formula for allocating profits between provinces has not yet been laid down, but it is expected to be virtually the same as the one which is now used for corporations doing business in the province of Quebec. It, in turn, is based on the formula used between 1947 and 1952 when corporation income taxes were still on a provincial basis.

For most companies it will mean working out the proportion of sales made through each "permanent establishment" in each province, plus the proportion of the payroll employed in each province. These two, added together and divided by two, are considered to be the proportion of profits earned in each province.

Head Office Sales

Sales made from a head office in, say, Toronto to residents of Manitoba count as profits earned in Ontario, unless the sales are made through a "permanent establishment" in Manitoba. "Permanent establishment" includes branches, mines, oil wells, farms, timber lands, factories, warehouses, offices, agencies or other fixed places of business.

The breakdown of profits by provinces is essential to the new federal-provincial tax formula, whether any particular province levies its own income tax on corporations or not.

The new formula is based on the yields of personal and corporation income taxes and succession duties in each province at specified "standard" rates. Whether a provincial government collects these taxes for itself or not, it will be entitled to receive the equivalent of:

—9% of corporation profits earned in the province.

—10% of the federal tax on personal incomes in the province.

—50% of the federal succession duties collected in the province.

In addition every province except Ontario is entitled to receive from the Federal Government an "equalization payment" which will bring the per capita yield of these "standard" tax rates up to what the yield of the same taxes would be per capita in Ontario and British Columbia (calculated according to a weighted average).

Ottawa Meets Breakdown

If the provinces choose to rent any or all of these tax fields to the Federal Government, their payments still depend on a calculation of what these standard taxes would have brought them. So Ottawa must have a breakdown of corporation profits by provinces.

If a province chooses, instead, to collect its own taxes in any or all of these fields, then the federal tax will be reduced—"abated" is the official word—from 45% to 36% on corporation profits, leaving 9% for the province; by 10% of the federal rate on personal incomes; or by 50% of the succession duties. (The 2% income tax for Old Age Security is left out of these calculations.)

In the second case, where a province chooses to levy its own taxes, it will be for the province to lay down its own rules about the kind of tax return you have to make. (The probabilities for provincial tax action are discussed in a separate story, page 1)

One welcome relief to corporations has been provided by the St. Laurent tax formula. It concerns the so-called "special taxes" —sometimes known as "nuisance taxes"—which Quebec levies now and Ontario used to levy too. These are taxes on places of business or paid-up capital, or energy output or railway mileage and so on.

Sometimes they are levied in place of an income tax, sometimes in addition. Ottawa's experts spent a lot of time and effort in deciding how to treat them in the new federal-provincial dispensation.

In the result a formula has been devised which should discourage any province from going into these special taxes.

Ontario Example

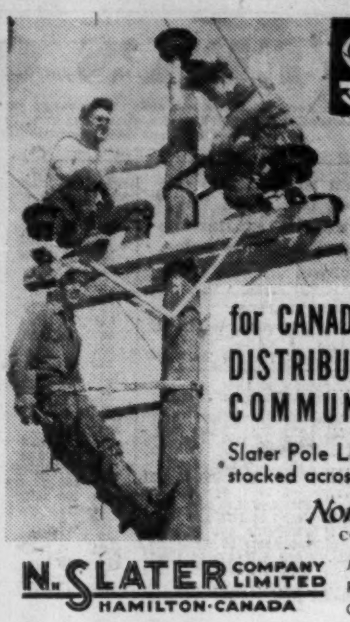
Take a simple example: Suppose Ontario decides not to rent its corporation income taxes. It might then decide to tax banks on their places of business rather than on their profits.

In such a case Ottawa will abate their corporation income tax by nine percentage points, just as it would do for all Ontario corporations. But they will not get any allowance — either as a deduction or as an expense —for the Ontario tax on their place of business, so long as that tax comes to no more than the general level of Ontario's corporation income tax.

Say Ontario collects corporation income tax at 12%. Ottawa will abate by 9%. Special taxes (as on places of business) will not be allowed as an expense until they equal the flat 12% on profits. If they come to more than that, Ottawa will allow the corporation to claim them as an expense for the purposes of federal income tax.

But the Provincial Government still won't gain anything. Cost of the extra expense allowance will be deducted from "any payment due to the Provincial Government" under the new arrangements.

In any province except Ontario the deduction can be made from the equalization payments. In the case of Ontario the deduction could only be made from the federal payment in respect of personal income tax—assuming that Ontario rents at least this field to the Federal Government.



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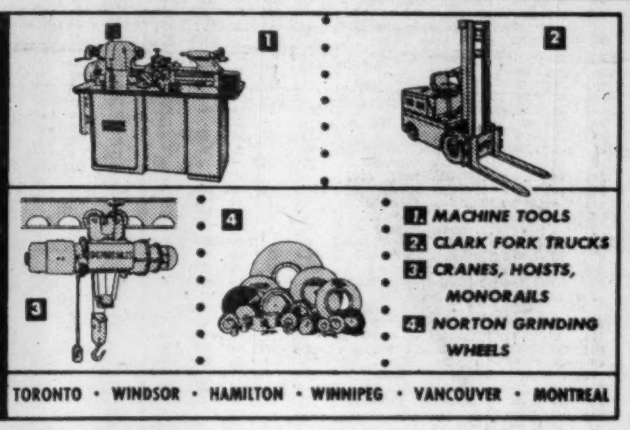

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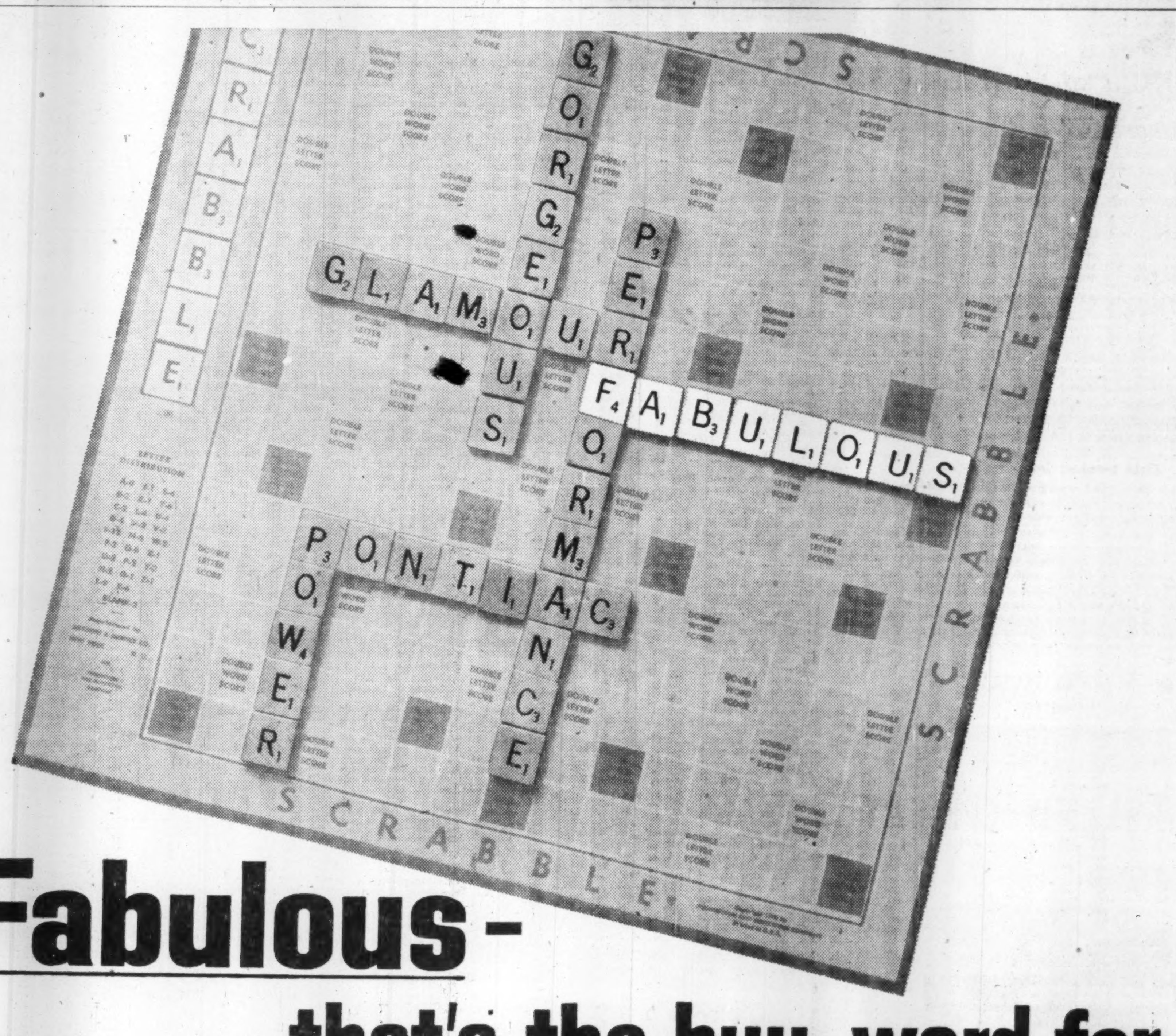

Fabulous- that's the buy-word for Pontiac in '56

There's no puzzle over which car to buy in '56. Pontiac's 31 models make it so easy to choose exactly what you want. In every model and style—from "Pathfinder" to luxurious "Star Chief"—there's a longer, lower look that's truly fabulous! In performance, '56 Pontiac offers you 13 power teams... 5 transmissions... 5 great new engines ranging up to 227 blazing horsepower. This year you'll definitely find your winning combination in Pontiac!

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SEE YOUR PONTIAC DEALER

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

Where there have been no transactions during the week covered, the word "nil" is shown under sales and the quotations shown are the bid, ask and last sale price, instead of high, low and close.

WEEK ENDING JANUARY 13, 1956

Range 1955-56 High	Low	Div. R'te $	Y'ld Jan13 %	Company	Sales	Last Jan. 6	Week end. Jan 13 H	L	Close
1.20	.90	..	...	Abitica Lum.	16050	.99	1.05	.95	.99
37¼	26	1.50	4.2	Abitibi	13682	35¾	36	34¼	36
27¼	25	1.12½	4.3	Do. 4½% pref.	1440	26¼	26¼	26	26
16	8¼	.50	4.5	Acadia Atlan.	135	12	12	11	11
107	102	5.00	4.8	Do 5% pref.	nil	..	106	106	104½
25½	22	1.20	5.1	Do. (A)	475	23	23½	23	23½
26½	26½	▲1.00	..	Admiral	nil	..	21¾	21¾	20
8¼	7¼	.40	4.9	Agnew Surp.	50	8¼	8¼	8¼	8¼
10	9¼	.55	5.8	Do. pref.	4	10	9½	9½	9½
2.65	1.60		...	Albt. Dist.	2715	2.05	2.10	2.00	2.00
2.15	1.50		...	Do. V.T.	1400	1.70	1.75	1.65	1.65
110	49		...	Algoma Steel	4830	97¾	99¼	97	98½

Range 1955-56 High	Low	Div. R'te $	Y'ld Jan13 %	Company	Sales	Last Jan. 6	Week end. Jan 13 H
85	85	*stk▲		Cont. Can	nil	..	84¾
20¼	16½	‡1.10	.	Corbys A	1060	17	17½
18½	16	‡1.10	..	Do. (B)	260	17	17½
14	11	.70	5.6	Cosmos Imp.	20	12½	12½
7¾	4¼	.30	4.3	Craig Bit	15	7	7
20	16	.60	3.0	Crain, R. L.	20	20	20
11	11	*.20	..	Credit Accept.	nil	..	..
62¼	34	.	...	Cres. Cream, pf.	nil	..	..
48	44½	2.00	4.3	Crown Cork	100	46½	47
31½	17	.60	2.3	Crown Trust	150	25½	26
83½	49	‡▲2.10■	..	Crown Zeller ■	306	58	58
158	105¼	4.00	2.5	Crow's N. Coal.	14	153	158
52	50	3.00	5.8	David & Fre. A.	6	51	51
12¾	7½	●	...	Davis Leather A	70	12¾	12
4.00	2.70	.	...	Do. (B)	130	4	3¾
200	141	.	...	De Havilland A.	nil	..	141
11	8	‡.50	...	Disher Steel	nil	..	11¾
25	25	1.50	6.0	Do. pref.	nil	..	25
48¾	30¼	1.20+‡.50		Distill-Seagram.	11479	38¾	39¼
356	265	‡8.00+6.00		Dom. Ang. Inv.	nil	..	375
103¼	100	5.00	5.2	Do. pref.	nil	..	95
25¼	18¼	.40+‡.30		Dom. Bridge	3605	22¾	22½
10¾	6		...	Dom. Coal pref.	1100	10	10½
13	11½	.80	7.0	Dom. Corset	50	11½	11¾

Mining Stocks

WEEK ENDED JANUARY 13, 1956

(Continued on next page)

Dividends Declared

	This payment $	Date payable	Date of record*
All-Cdn. Div. Fd.	.06	Jan. 15	Dec. 31
Aluminum 4% pf.	.25	Mar. 1	Feb. 8
Aluminum 4½% 2nd pf.	■.47	Feb. 29	Feb. 8
Anglo-Cdn. P. & P. pfd. $2.80	.70	Jan. 20	Dec. 30
Anglo-Cdn. Tel. 4½% pf.	.56¼	Feb. 1	Jan. 10
Do. A	.15	Mar. 1	Feb. 10
Ang.-Huronian	25	Jan. 20	Dec. 28
Anthes-Imp. pfd.	1.31¼	Apr. 1	Mar. 25
Argus Corp.	.20	Mar. 1	Jan. 31
Do. $2.40 pfd.	.60	Feb. 1	Jan. 16
Balanced Mut. Fund	.03	Feb. 15	Jan. 31
Bk. of N. Scotia	45+‡.20	Feb. 1	Dec. 31
Bath Pwr & Pap A	.75+‡.50	Mar. 1	Feb. 2
Do. B	1.25	Mar.	Feb. 2
Beaver Lumber com.	.40	Feb. 1	Jan. 10
B.C. Forest	.12½	Feb. 1	Dec. 31
B.C. Tel. 6% 2nd pf.	1.50	Feb. 1	Jan. 17
Do. 4¾% pf.	1.09	Feb. 1	Jan. 17
Brown Co.	†.25	Mar. 1	Feb. 17
Burns & Co.	■.15+‡.05	Jan. 30	Jan 9
Do.	.15	Apr. 30	Apr 9
Do	.15	Jul. 30	Jul 9
Do.	.15	Oct. 30	Oct. 9
Butterfly Hose. 7% pf.	3.50	Jan. 31	Dec. 31
Caldwell Lin.	.20	Feb. 1	Jan. 14
Do. 1st pf.	.38	Feb. 1	Jan. 14
Do. 2nd pf.	.20	Feb. 1	Jan. 14
Campbell R. L. M.	.10+‡.05	Jan. 27	Dec. 28
Can. Cement	.25	Feb. 29	Jan. 31
Do. pfd	.32½	Mar. 20	Feb. 20
Can. Elec.	1.25	Jan. 31	Dec. 31
Can. Iron F'dries	.37½	Apr. 2	Mar. 10
Can. Malting	●stk. div.	Jan. 31	Dec. 30
Do.	.50	Mar. 15	Feb. 15
Do. 4½% pf.	■.29¼	Mar. 15	Feb. 15
Canadian Bk. of Comm.	.35+‡.20	Feb. 1	Dec. 31
Cdn. Brew.	.37½	Apr. 3	Feb. 29
Do. 5% pf.	.31¼	Apr. 3	Feb. 29
Cdn. Bronze	.32	Feb. 1	Jan. 10
Do. 5% pfd.	1.25	Feb. 1	Jan. 10
Cdn Industries	.20	Jan. 31	Dec. 30
Cdn. Inv. Fd. Spec. & Ord.	.08	Feb. 1	Jan. 16
Cdn. Oil Cos.	.15	Feb. 15	Jan. 24
Cdn. Pac. Rlwy.	.75	Feb. 29	Jan. 6
Do. 4% pf.	2%	Feb. 1	Dec. 30
B. J. Coghlin	.25	Jan. 31	Jan. 13
Collingw'd Term	75+‡.35	Jan. 31	Jan. 10
Do pfd	75+‡.35	Jan. 31	Jan. 10
Cons. Bakeries	.25	Feb. 1	Jan. 6
Cons. Theatres A	.13	Mar. 1	Feb. 1
Cont.-Can.	♦♦Stk.Div.	Feb. 15	Jan. 10
Credit Accept.	.20	Jan. 20	Jan. 13
Crown Cork & Seal	50	Feb. 15	Jan. 16
Disher Steel A pf.	.37½	Feb. 1	Jan. 13
Dome Mines	.17½	Jan. 30	Dec. 30
Dom. Bridge	.10+‡.30	Feb. 24	Jan. 31
Dom. Fabrics	.10	Feb. 1	Jan. 16
Do. pfd.	.37½	Feb. 1	Jan. 16
Dom. Oilcloth	.40	Jan. 31	Jan. 6
Dom. Steel	.25	Jan. 25	Dec. 22
Dom. Tar & Chem.	.12½	Feb. 1	Jan. 3
Donald Ropes B	■.20	Feb. 1	Jan. 16
Donohue Bros.	‡.25	Jan. 19	Jan. 4
Du Pont of Can.	.20	Jan. 31	Jan. 2
Do. 7½% pf.	.93¾	Jan. 13	Jan. 2
East Mal. M.	.05	Feb. 3	Jan. 3
East. Util. 5½% pf.	.27½	Feb. 1	Jan. 14
Easy Washing Mach.	.05+‡.30	Jan. 20	Jan. 13
En. & Heat. Prod.	.10	Jan. 31	Dec. 31
Fed. Grain Ltd. $1.40 pf.	.35	Feb. 1	Jan. 18
Foundation Co.	.20	Jan. 20	Dec. 30
Fraser Cos.	.25+‡.30	Jan. 23	Dec. 31
A. J. Freiman	.12½	Feb. 1	Jan. 20
Do. 4½% pfd.	1.12½	Feb. 1	Jan. 20
Gen. Electric	†.50	Jan. 25	Dec. 16
Gen. Steel Wares	.10	Feb. 15	Jan. 16
Do. 5% pfd.	1.25	Feb. 1	Jan. 4
Goodyear Tire 4% pf.	.50	Jan. 31	Jan. 10
Grafton & Co. B	.25	Jan. 31	Jan. 16
Gt. West Coal A	.12½	Feb. 15	Jan. 31
Do.	.02½	Feb. 15	Jan. 31
Grower's Wine A	.10	Jan. 31	Jan. 7
Gurney Prod.	.40	Feb. 1	Jan. 13
Gypsum Lime	.60	Mar. 1	Feb. 1
Do.	.60	Jun. 1	May 1
Ham. Cotton pfd. 5%	1.25	Feb. 15	Feb. 3
J. F. Hartz A	.12½	Feb. 1	Jan. 20
Geo. H. Hees 6% pf.	1.50	Feb. 1	Jan. 20
Holt-Renfrew 1st pf.	2.50	Feb. 1	Jan. 10
Do. 2nd pf.	2.50	Feb. 1	Jan. 10
How. Smith Pap.	25+‡.25	Jan. 31	Dec. 31
Do. pfd.	.50	Jan. 31	Dec. 31
Hydro-Elec. Sec. 5% pf. B	.25	Feb. 1	Dec. 30
Imp. Bank	.35	Feb. 1	Dec. 31
Interior Brew. A	.13	Feb. 1	Jan. 10
Int. Nickel 7% pf.	†1¾%	Feb. 1	Jan. 3
Int. Util.	†.40	Mar. 1	Feb. 10
Do. 1.40 pfd.	†.35	Feb. 1	Jan. 13
Do. $1.40 pfd.	†.35	May 1	Apr. 13
Interprov. Bldg. Cred.	.20	Mar. 1	Jan. 31
Investors Mut.	.07	Feb. 14	Jan. 31
Laura Secord	.25	Mar. 1	Feb. 15
Laurentide Accept. A	.15	Jan. 31	Jan. 13
Do. B	.15	Jan. 31	Jan. 13
Do. 5% pf.	.25	Jan. 31	Jan. 13
Lewis Bros.	.15	Jan. 31	Dec. 31
M.R.A. Holdings 5% pf.	.31¼	Feb. 1	Jan. 15
Mailman Corp 5% pf.	1.25	Jan. 31	Jan. 19
Do. $1 prior pf.	.25	Mar. 31	Mar. 16
Do. $1 prior pf.	.25	Jun. 30	Jun. 15
McCabe Grain A	.15	Feb. 1	Jan. 16
Do. B	15+‡.05	Feb. 1	Jan. 16
McColl-Front.	.30	Feb. 29	Jan. 31
Do. 4% pf.	1.00	Jan. 20	Dec. 31
Mersey Pap.	▲stk div.	Feb. 1	Jan. 11
Minas Bas Pulp & Pap.	.50	Feb. 1	Jan. 16
Minn. & Ont. Pap.	†.70	Feb. 1	Jan. 6
Mt. Royal Rice	.20	Jan. 31	Jan. 16
Mut. Inc. Fd.	.063	Jan. 15	Dec. 31
Nat. Drugs & Chem.	.15	Mar. 1	Feb. 3
Do. pfd.	.15	Mar. 1	Feb. 3
Nat. Lead 6% pf.	†1.50	Feb. 1	Jan. 11
Neon Prod of W C.	.60	Jan. 20	Jan. 6
Nor. Am. Elev. pf.	1.25	Jan. 30	Jan. 16
Nor. West Tel. 5% pf.	.12½	Feb. 1	Jan. 17
Northwestern Util. pf.	1.00	Feb. 1	Jan. 16
Ont. Loan & Deb.	‡.15	Feb. 1	Jan. 20
Ont. Steel Prod.	.25	Feb. 15	Jan. 16
Do. 7% pfd.	1.75	Feb. 15	Jan. 16
Penmans Ltd.	.30	Feb. 15	Jan. 16
Do. 6% pf.	1.50	Feb. 1	Jan. 12
People's Cred. Jew	.15+‡.05	Feb. 1	Jan. 31
Price Bros.	1.00	Feb. 1	Jan. 13
Provincial Bk.	.18	Feb. 1	Jan. 13
Que. Power	.30	Feb. 24	Jan. 13
Quinte Milk A	.15+♦.15	Feb. 1	Jan. 24
Do. B	♦.15	Feb. 1	Jan. 24
Reitman's (Can.) Ltd.	.15	Feb. 1	Jan. 14
Royal Trust	.25+‡.25	Feb. 1	Jan. 20
St. Lawr. Corp.	.50	Jan. 25	Dec. 30
Scarfe & Co. A	.20	Feb. 1	Jan. 16
Do. B	.10	Feb. 1	Jan. 16
Shawin. W. & P. com.	.45	Feb. 24	Jan. 13
Sherbrooke Tr.	1.50	Feb. 1	Jan. 14
Sher.-Wms.	45+‡.25	Feb. 1	Jan. 10
Shirriff-Horsey Ltd.	■.12½	Mar. 15	Mar. 1
Do.	12½	Jun. 15	Jun. 1
Sidney Roof. & Pap.	22½	Feb. 1	Jan. 15
Sigma M	.20	Jan. 27	Dec. 28
Silver Miller M.	.03	Jan. 27	Jan. 12
T. S. Simms & Co. 5% pf.	.25	Feb. 1	Jan. 13
N. Slater Co.	.15	Feb. 1	Jan. 13
So. Can. Pwr.	.50	Feb. 15	Jan. 20
Stanley Brock A	.15	Feb. 1	Jan. 10
Do. B	.10	Feb. 1	Jan. 10
Stand. Fuel 4½% pf.	56¼	Feb. 1	Jan. 13
Steel Co. of Can.	35+‡.30	Feb. 1	Jan. 6
Tay. Pear. & Carson 5% pf.	.12½	Feb. 15	Jan. 31
Tor. Dom. Bk.	32½	Feb. 1	Dec. 30
Union Gas	.35	Feb. 1	Jan. 6
United Corp. A	.38	Feb. 15	Jan. 23
Do. B	.10+‡.30	Feb. 29	Jan. 31
Un. Keno Hill	.10+‡.05	Feb. 28	Jan. 31
Vanc. Pac Pap. A	.12½	Feb. 1	Jan. 14
Ventures Ltd.	.15	Jan. 20	Jan. 6
West. Can. Brew.	.30	Mar. 1	Jan. 31
Westminst. Pap. A	.12½	Jan. 31	Jan. 10
Do. B	.17½	Jan. 31	Jan. 10
Zeller's Ltd.	.22½+‡.10	Feb. 1	Jan. 3

†U. S. funds. ‡Extra.

*The ex-dividend date is usually at least two full business days prior to the record date.

■Initial.

●1. 4½% ($26 par) cum. red. pf. sh. for ea. com. sh. held.

♦♦One sh. for each sh. held.

▲1. 5% pf. sh. for ea. 11 1/9 com. sh. held.

♦Participating.

Unlisted Mines, Oils

Approximate quotations, 3 p.m., Jan. 16, subject to confirmation and change. An asterisk (*) indicates an increase in price; a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abenakis	3	4	Maree	3	6
Abeta	15	20	Mar Bird	*10	12
Advance	†18	20	Mate Yel	6	8
Alexander	4	6	McManus	4	6
Ama Kir	*4	6	McCuaig	1	2
Anabar	6	8	Mid Rim	*68	70
Anamaq	7	9	Milliken	*270	275
Anuwon	*35	40	Miles RL	4	6
Arctic	3	4	Mindus	14	18
Beacon	7	9	Mt Keno	3½	5
Belfast	9	13	Montgr	250	260
Bl Grass	20	23	Murmac	3	5
B McDade	7	9	Nat Mal	25	28
Bracemq	11	13	New Aug	6	8
Braminco	8	12	N Insco	†35	40
Bright RL	4	6	New Met	15	20
Brunette	10	12	N Redw'd	8	10
Camlaren	5	7	New Wal	2	4
Camp Is	†125	140	Nickel L	8	10
Camray	2	4	Nickel O	50	75
Can Rad	15	20	Nicoba	†42	44
Canalask	10	13	Nipiron	29	32
Canuba	120	150	Norbeau	90	100
Captain	2	4	Norcourt	2	4
Cn Mag	100	150	Norford	1	3
Cn Alm	*32	35	Normar	5	8
Cp Lith	*120	130	Novel Pr	3	5
Cn Lith	†135	140	Obsk '45	46	49
Cen Man	11	13	Oceanic	*250	260
Chellew	9	12	Oklend	9	11
Clinger	9	11	Ont RM	17	20
Clix	16	19	Orchan	22	24
Columbier	2	4	Orofino	13	15
Columind	3	6	Ortona	5	7
Comstock	8	11	Pacemkr	25	30
C Bi Ore	30	40	Panel	120	130
Con Cop	33	36	Pax nw	150	200
Conecho	12	15	Payne	1	3
C Harper	5	8	Pascalis	10	11
Cordell	10	15	Peach	†1875	1900
Crack S	27	30	Pelangio	3	5
Craibbe	27	28	Picton	15	18
Croydon	10	12	Pine P	1475	1550
Derlac	2	4	Pitchvein	10	12
Destorad	†13	15	Plum N	80	100
Dom Ex	15	20	Polestar	33	38
Dunvegn	†22	24	Presdor	3	5
Durham	5	7	Quejo	*11	13
East Lun	5	7	Quest	2	4
Echo Ind	2	4	Rainvil	100	110
El Bonan	2	4	Rand M	8	10
Endeavor	†53	60	Randona	3	6
Farcroft	*15	20	R Earth	340	360
Fleetwd	27	30	Red Brk	†14	15
Forty Fr	65	75	Redcon	5	7
Gan Cop	†10	12	Redruth	1	3
Gateway	12	15	Rhyolite	*4	6
Glenbrk	12	14	Richgroup	9	11
Glencona	5	6	Rugged	2	3
Goldyke	*8	11	Russet	4	6
G Harker	15	18	St Marys	†37	40
Goldmaq	8	10	St Michl	75	80
Gov Gold	5	7	Salmita	4	6
Gr Chib	100	120	S Dufalt	*20	23
Gui Por	15	20	Sheldon	11	13
HG Yng	16	19	Snow L	5	7
Hornfalt	†13	15	Span A	†270	290
Hot Min	19	21	Starlight	†18	20
Hucamp	18	22	Stanl'gh	*285	290
Independ	12	14	Sunbear	2	3
Jardun	35	37	U Ridge	28	32
Jerome	15	18	Valor	39	40
Kamlac	10	12	Vaux Duf	6	8
KB Ming	*18	20	Viking	11	14
Kenda P	4	6	Wadge	5	7
Kenog	12	15	Wesley	*20	22
Laronge	40	45	Wesley	20	22
L Nord	†295	310	West RL	2	3
Larum	20	23	W Wasa	7	9
L Expan	16	19	Y David	10	12
Lowr Can	2	4	**OILS**		
Lun Ec.	†60	65	Cdn Sp	1175	1200
Main Ok	23	27	Nw Ranch	7	9
Manecho	9	11	O Smoky	8	10
Mall RL	23	26	Paige Pete	5	10
xNrlrtc	10¼	11¼	xTorbit	93	105

Bond Redemptions

Bond issues Rate	Year	Date	Cal. Pr.
*Barvue Mines Ltd. 1st mtge. s.f. bds. ser. B 5%	'56	Feb. 6	100.00
*B. C. Forest Products Ltd. 20 yr. 1st mtge. bds. ser. A 4%	'66	Feb. 13	$102.00
*B. C. Forest Products Ltd., 1st mtge. s.f. bds. ser. B 4½%	'66	Feb. 13	$101.50
▲Holt-Renfrew & Co., Ltd. 1st Mtge. S.F. Bonds 5%	'74	Jan. 20	$102.375
■Industrial Accept. Corp. s.f. debs. 5½%	'73	Feb. 3	$102.25
■■North Star Oil Ltd. s.f. debs. ser. A 5½%	'68	Feb. 16	$101.25
▲▲Rio de Janeiro Tramway Lt. & Pwr. Co. Ltd., 50 yr. Mtge. Bds. Cat. A 5%	'58	Apr. 1	.....
♦♦Rio de Janeiro Tramway Lt. & Pwr. Co. Ltd., 500 Franc Bds. Cat. B 5%	'58	Apr. 1	.....
*Rolland Paper Co. 1st mtge. bds. ser. A 3½%	'56-'58	Feb. 1	$102.00
*Rolland Paper Co 1st mtge. bds. ser. A 3¾%	'54-'61	Feb. 1	$102.00
*Rolland Paper Co. 1st mtge. bds. ser. A 4%	'61-'64	Feb. 1	$102.00
●●Simpson's Ltd. Debs. Ser. A 4¾%	'73	Jan. 24	$102.00
Shirriff-Horsey Corp. Ltd. 1st Mtge Ser. Bds 4%	‡	Jan. 23	‡
*Western Can. Brew. Ltd. conv. debs. 5%	'67	Feb. 15	$103.00

●U. S. funds.

*All outstanding.

▲$44,500.

▲▲$895,454.

♦♦£53,622

‡Bds maturing to & including Feb. 1, 1960 at $103.00 & thereafter at $103.50.

●●$221,900.

■$250,000.

■■$168,000.

Company Meetings

Date	Company	Place
Jan. 19	Manufacturers Life Co.	Toronto
Jan. 20	Cons. Dragon Oils	Toronto
Jan. 20	Jupiter Oils Ltd.	Toronto
Jan. 20	Kelvinator of Canada	Rexdale, Ont.
Jan. 20	John Labatt Ltd.	London
Jan. 24	Confed. Life Ass.	Toronto
Jan. 24	Cons. Mosher M.	Toronto
Jan. 24	MacMil. & Blo. Ltd.	Vancouver
Jan. 24	Ont. Steel Products	Toronto
Jan. 25	Imperial Life Assce.	Toronto
Jan. 26	Canada Life Assur.	Toronto
Jan. 26	Guaranty Trust Co.	Toronto
Jan. 26	London Life Ins. Co.	London
Jan. 26	Scurry-Rainbow Oil	Cleveland, Ohio
Jan. 27	Crown Life Ins.	Toronto
Jan. 27	O'Brien G.M.	Montreal
Jan. 31	Gen. Pet. of Can. Ltd.	Calgary
Jan. 31	Sunshine Lardeau M.	Vancouver
Feb. 2	Mutual Life Ass.	Waterloo, Ont.
Feb. 6	Equitable Life Ins.	Waterloo, Ont.
Feb. 6	Catelli Food Prod.	Montreal
Feb. 6	North Am. Life Assce.	Toronto
Feb. 7	Commercial Life Assce.	Toronto
Feb. 7	National Life Ass.	Toronto
Feb. 8	Continental Life Ins.	Toronto
Feb. 9	Ancroft Place Ltd.	Toronto
Feb. 11	Liberal Petrol. Ltd.	Edmonton
Feb. 20	Cdn. Brew. Ltd.	Toronto
Feb. 27	Montreal Life Ins. Co.	Montreal

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporation and Foreign Securities.

DOMINION

Government of Canada Treasury Bills — Due Apr. 1, 1956, $85,000,000. Issued Jan. 13, 1956. Sold at $99.355 to yield 2.61%.

CORPORATION

Ontario Jockey Club Limited — 5¼% first mortgage sinking fund bonds, series "A," to mature Jan. 1, 1971, $4,000,000. Dated Jan. 1, 1956. Offered at $100.00 and accrued interest by Burns Bros. & Denton Limited, W. C. Pitfield & Company, Limited, Wood, Gundy & Company Limited, Greenshields & Co. Inc., Ross, Knowles & Co. Limited, Midland Securities Corpn. Limited, Osler, Hammond & Nanton Limited, Doherty Roadhouse & Co., Jennings, Petrie & Co. Limited, Collier, Norris & Quinlan Limited and Seagram & Company.

Ontario Jockey Club Limited — 5½% sinking fund debentures (carry stock purchase warrants), to mature Jan. 1, 1972, $6,000,000. Dated Jan. 1, 1956. Offered at $100.00 and accrued interest by Burns Bros. & Denton Limited, W. C. Pitfield & Company Limited, Wood, Gundy & Company Limited, Greenshields & Co. Inc., Ross, Knowles & Co. Limited, Midland Securities Corpn. Limited, Osler, Hammond & Nanton Limited, Doherty Roadhouse & Co., Jennings, Petrie & Co. Limited, Collier, Norris & Quinlan Limited and Seagram & Company.

PREFERRED

Ontario Jockey Club Limited — 5½% cumulative redeemable convertible preference shares series "B," (with a par value of $10.00 each), $2,000,000 (200,000 shares). Offered at $10.00 per share flat by Burns Bros. & Denton Limited, W. C. Pitfield & Company, Limited, Wood, Gundy & Company Limited, Greenshields & Co. Inc., Ross, Knowles & Co. Limited, Midland Securities Corpn. Limited, Osler, Hammond & Nanton Limited, Doherty Roadhouse & Co., Jennings, Petrie & Co. Limited, Collier, Norris & Quinlan Limited and Seagram & Company.

Bond Tenders

12 Noon, Jan. 19, 1956, Government of Canada Treasury Bills. Payable Apr. 20, 1956, $95,000,000. Dated Jan. 20, 1956.

Bank Staff Changes

Montreal:

J. E. LALONDE, manager, Grand'Mere, Que., to be special representative, business development department, head office, Montreal.

L. B. MALOTT, accountant, Sudbury, Ont., to be manager, Manitowaning, Ont.

A. E. GEDGE, inspector, assistant general manager's department, Winnipeg, to be manager, Dryden, Ont.

J. A. KELLY, Calgary, Alta., to be manager, Valleyview, Alta.

E. G. SANTER, second assistant manager, Victoria, B.C., to be manager, Clinton B.C.

A. W. MURDOCK, accountant, Earlscourt, Toronto, to be manager, Stephenville, Nfld.

W. F. BLACKWELL, manager, new Mountain Avenue and McPhillips St. branch, Winnipeg.

Nova Scotia:

J. R. EADY, to be manager, Timagami, Ontario.

G. A. GRIFFITHS, manager, Ciudad Trujillo D. R., to be manager, San Juan, P.R.

J. W. PAYETTE, to be manager, Upper Town, Quebec.

J. S. DRAFFIN, to be accountant, Yonge & St. Clair Toronto.

Mine and Oil Stocks

Range 1955-56 High	Low	Div. Rate $	Company	Sales	Last January 6	Week Ending January 13 High	Low	Close
.12	.05½	...	Francoeur	11,500	.10	.09¾	.09	.09
5.50	3.90	...	Frobisher	29,920	4.45	4.45	4.25	4.25
1.00	.39	...	Do. warr.	600	.59	.55	.50	.55
97.00	85.25	...	Do. 4% deb.	14,000	96.00	97.00	95.00	97.00
.79	.22	...	Gaitwin	19,000	.47	.48	.44	.44
39.00	19.00	...	Gaspe Cop.	2,195	37.75	38.00	37.12½	37.50
19.75	9.80	...	Geco	5,375	18.12½	18.50	18.00	18.00
.29	.10	...	Gen. Lake	47,800	.16½	.16½	.14	.14½
.95	.50	♦♦*.15	Giant Mas.	9,008	.76½	.83	.77	.79
7.85	5.50	‡.35	Giant Y'fe	13,020	6.30	6.10	5.80	5.95
2.03	.60	...	Glenn Ur.	57,426	1.18	1.19	1.13	1.17
.94	.55½	...	God's Lake	23,600	.62½	.64	.60	.64
.59	.23	...	Goldale	12,000	.35	.35	.32	.34
.62	.12	...	Gold Crest	40,400	.29	.32	.27	.27
.19	.07½	...	Gold Eagle	33,500	.10	.13¾	.09½	.11½
.02	.01	...	Gold Lake	nil	...	.01½	....	.01½
4.00	1.66	...	Gold Man.	15,300	3.80	3.85	3.65	3.80
1.33	.35	...	Goldfields	14,700	.54	.60	.53	.54
.22	.05½	...	Goldora	194,700	.14	.18	.15	.18
.54	.26	...	Graham B.	18,250	.31	.39	.31	.34
22.50	11.50	‡▴.50	Granby	1,000	19.50	19.75	19.12½	19.12½
.51	.13	...	Grandines	697,822	.44	.51	.43	.45
.47	.40	‡.02½	Grandoro	nil	...	.43	....	.43
8.95	4.25	...	Granduc	15,335	8.50	8.80	8.00	8.65
.40	.16	...	Grandview	nil	...	.24	....	.18
.04	.03	...	Great Falls	nil	...	.03	....	.04
.56	.45	...	Greyhawk	60,822	.49¾	.55	.50	.50
.78	.10	...	Gui-Por Ur.	17,000	.18	.21	.16	.16
2.44	.92	...	Gulch	29,000	1.45	1.49	1.35	1.35
.40	.07½	...	Gulf Lead	256,400	.17	.22	.15	.20
21.50	9.75	...	Gunnar G.	28,388	18.87½	19.75	18.50	19.25
13.00	3.60	...	Do. warr.	21,930	11.62½	12.75	11.75	12.50
.36	.09	...	Gwillim L.	1,274,900	.15½	.18½	.15½	.18½
*3.40	3.00	.20	Hallnor	nil	...	3.25	3.50	3.25
.12½	.04	...	Hamil.	16,000	.07	.08	.07	.08
.22	.10½	...	Hard Rock	127,400	.14	.17	.13	.14
1.69	.38	...	Harr. Min.	196,250	1.22	1.27	1.15	1.18
.29	.17	...	Hasaga	3,000	.22	.20½	.20	.20
.23½	.12½	...	H'd of Lakes	13,000	.15½	.16	.15	.15
3.20	.20	...	Headway	45,300	1.36	1.38	1.18	1.23
.15	.07	...	Heath	94,100	.12½	.13¾	.12	.12
.09	.04	...	Heva G.M.	240,550	.07	.09	.06½	.08
.85	.42	...	High.-Bell	28,400	.70	.81	.70	.80
25.00	13.25	.24	Hollinger	12,910	23.50	24.00	23.00	23.87½
9.20	2.60	...	Hoyle	8,560	7.90	7.95	7.55	7.65
70.00	51.25	4.00 +‡1.00	Hudson Bay	5,023	65.50	66.12½	64.62½	65.50
.19	.05⅜	...	Hudson R.	6,833	.09½	.10½	.10	.10
.35	.20	...	Hugh Pam	6,500	.32½	.32	.28	.32
.31	.08½	...	Imperial	1,000	.12	.14	.14	.14
.20	.04½	...	Indian L.	191,600	.15½	.20	.15	.18
.11½	.02½	...	Indian M.	38,000	.06½	.06½	.05	.05
2.85	1.21	...	Inspiration	14,200	1.65	1.74	1.52	1.55
86.25	55.00	‡▴2.40 +1.35	Int. Nickel	21,643	84.37½	85.12½	82.00	82.75
138.50	126.50	▴7%	Do. pfd.	276	127.00	127.25	127.00	127.75
7.00	6.12½	▴7%	Do. $5 pfd.	nil	...	6.00	6.50	†6.00
2.25	1.06	...	Int. Ranwick	15,400	1.45	1.49	1.30	1.44
3.85	1.95	...	Iron Bay	8,825	3.50	3.55	3.25	3.35
.01	.00½	...	Island Lake	nil	...	.01	.02	.01
.70	.25	...	Iso Uran.	19,600	.35	.35	.30	.30
.48	.22	...	Jackson Bas.	32,000	.40	.40	.35	.38
.27	.10	▴‡.01 +.00½	Jack Waite	15,200	.25	.25	.22	.23
.72	.22	...	Jacobus	27,750	.50	.51	.48	.48
.40	.20	...	Jardun	4,500	.35	.35	.34	.34
.99	.34	...	Jaye	176,100	.54	.74	.50	.74
.70	.27½	...	Jeanette	21,248	.35½	.37	.34	.35½
.22	.22	...	Jeep	nil	...	...	....	.22
.17	.08	...	Jellicoe	37,700	.11	.11¾	.09¾	.10
.38	.09½	...	Joburke	64,750	.16	.16½	.14	.14½
1.75	.41	...	Joliet Que.	68,700	1.23	1.28	1.15	1.20
.95	.26½	...	Jonsmith	575,500	.34	.46	.35	.40
.12	.04	...	Kenmayo	40,500	.07½	.09	.08	.08
.20	.05½	...	Kenville	4,715	.12	.16½	.09	.09
18.75	15.87½	.80	K.-Addison	3,656	17.37½	18.00	17.37½	18.00
.70	.26	...	Kerr Lake	500	.50	.60	.60	.60
.23	.10	...	Keyboycon.	39,000	.12½	.12½	.11	.12
.86	.65	...	Keymet	nil	...	.70	.85	.81
4.05	3.25	...	Kilembe	13,270	3.75	4.00	3.65	3.95
1.90	1.40	...	Do. warr.	7,400	1.75	1.85	1.65	1.85
.50	.31	...	Kirk. H. Bay	7,000	.33	.35	.32	.35
.55	.35	...	Kirk. Lake	77,500	.44	.45	.40	.42½
.45	.12	...	Kirk. Town	63,500	.31½	.37	.26	.30
.53	.09½	...	Kontiki Ld.	176,500	.43	.42½	.35	.37
.04½	.02	...	Koot. Base.	10,500	.03	.04½	.04	.04½
.32	.12	...	Kristina Cop.	69,200	.17	.17	.14	.15
20.50	18.00	...	Labrador	12,015	18.25	20.50	18.00	20.00
3.95	1.10	...	Lk. Cinch	9,400	3.60	3.60	3.45	3.60
3.25	.75	...	Lk. Dufault	26,605	2.45	2.54	2.35	2.49
.35	.12	...	Lk. Lingman	14,500	.15¾	.15	.13	.14½
.45	.22½	...	Lk. Osu	21,700	.33	.34	.30	.31½
6.35	4.20	‡.10	Lk. Shore	4,110	4.40	5.25	4.50	5.00
.27	.20	...	Lk. Wasa	5,250	.25½	.27	.25	.27
3.25	1.75	.10	La Luz	100	2.90	2.88	2.88	2.88
4.35	3.30	‡.24	Lamaque G.	200	3.40	3.55	3.50	3.55
.13	.05½	...	Lavalie	42,000	.11	.11½	.09¾	.10½
.86	.60	‡.06	Leitch Gold	7,800	.72	.73	.70	.73
.25	.08½	...	Lencourt	22,500	.12½	.17½	.13	.15
1.10	.15	...	Lexindin	12,600	.31	.31½	.25½	.30
.30	.05½	...	Lingside	59,800	.20	.21	.18	.18½
2.50	1.85	...	Lithium Cop.	13,740	2.50	2.25	2.00	2.07
1.75	.61	...	Little L.L.	6,900	1.32	1.40	1.29	1.40
.15	.04	...	Lomega	14,500	.08	.09	.07½	.08
5.15	1.20	...	Lorado Ur.	136,135	1.65	1.72	1.47	1.50
.66	.15½	...	Louvicourt	20,200	.32½	.33	.27	.29
3.20	.40	...	Lyndhurst	86,772	2.25	2.35	2.13	2.20
.10	.07	...	Lynx Yk.	10,500	.08	.09	.07	.08¾
2.25	1.65	‡.12 +.03	Macassa	6,325	2.15	2.25	2.15	2.20
1.25	.56	...	MacDonald	20,100	.93	.99	.95	.95
.43	.12	...	Macfie	48,400	.21½	.23	.20	.20
1.06	.38	...	Mackeno	67,100	.46	.50	.46	.47
1.84	1.30	‡.10	Macleod	7,100	1.40	1.40	1.36	1.38
2.70	1.60	‡.10 +.10	Mad. R.L.	6,100	2.40	2.38	2.32	2.35
.25½	.08	...	Magnet	193,000	.17	.20	.15½	.17
2.25	1.62	‡.15	Malartic G.	21,100	2.20	2.25	2.15	2.20
1.06	.20	...	Maneast Ur.	33,440	.41	.41	.37	.40
.25	.08½	...	Maralgo	73,050	.23	.24½	.19	.20
.15	.07	...	Marcus Gold	28,750	.10	.11½	.10	.10½
2.95	.70	...	Maritimes	148,870	2.40	2.40	2.34	2.39
.87	.12	...	Do. A warr.	27,125	.75	.84	.66	.83
1.00	.20	...	Do. B warr.	35,050	.77	.90	.75	.84
.42	.06¾	...	Martin McN.	78,100	.22	.23	.20	.20½
.32	.22	...	Massberyle	nil	...	.19	.19¾	.32
1.40	.14	...	Matachewan	500	.95	.95	.95	.95
2.20	.09½	...	Maybrun	464,310	1.97	2.15	1.85	2.02
90.00	67.25	2.00 +‡1.00	McIntyre	4,257	81.50	83.00	81.50	82.75
.50	.31½	...	McK. R.L.	4,800	.37	.37	.36	.36
.60	.11	...	McMarmac	12,000	.21	.20½	.18	.20
.60	.12	...	McWatters	8,200	.35	.35	.31	.33
1.75	.83	...	Mentor Exp.	47,000	1.20	1.25	1.15	1.21
3.30	.44	...	Merrill Is.	121,350	3.00	3.10	2.85	2.90
1.42	.20	...	Meta. Ur.	106,750	.34	.35	.30	.31½
1.45	.30	...	Mindamar	10,600	.40	.40	.35	.40
25.50	16.75	‡1.00 +.25	Mng. Corp.	4,324	22.75	23.50	22.62½	23.50
.50	.30	...	Min-Ore	103,879	.45	.50	.44	.45
1.31	.41	...	Mogador	48,800	1.13	1.30	1.10	1.26
3.85	2.25	...	Mogul	23,950	3.35	3.40	3.15	3.20
2.70	.80	...	Molyb'nite	900	1.50	1.56	1.53	1.53
1.25	.47	...	Moneta	3,710	.84	.84	.80	.84
3.10	.35	...	Montgary	146,300	2.25	3.10	2.00	2.65
.12	.03	...	Montpas	41,200	.09½	.11	.09½	.09¾
2.75	1.40	...	Multi-Min	7,680	1.55	1.55	1.45	1.50
2.78	.80	...	Nama	19,550	1.65	1.70	1.60	1.60
2.72	.56	...	Nat. Ex.	53,700	.85	.84	.76	.78½
.34	.18	...	Nello Min.	5,000	.24	.25¾	.25¾	.25¾
2.54	1.25	...	Nesbitt L.	208,125	2.12	2.43	2.05	2.29
.70	.11	...	N. Alger	38,767	.38¾	.39	.33	.33
1.80	.42	...	N. Athona	21,434	.80	.81	.76	.80
.43	.21	...	New Bidl'e.	8,615	.27	.28	.24	.26
1.45	.50	...	N. Calumet	47,300	1.28	1.30	1.12	1.14
1.34	1.00	...	N. Delhi	20,500	1.09	1.10	1.02	1.03
2.70	1.85	‡.10	N. Dick'n	16,195	2.00	2.03	1.90	1.99
.11	.05½	...	N. Formaque	11,100	.09½	.10	.09	.09
.72	.22	...	N. Fortune	20,715	.27½	.29	.26½	.28
.34	.11	...	N. G'dvue	17,399	.25	.25	.23	.24
.49	.24	...	N. Har'na	30,650	.34½	.36	.32	.33
1.13	.15	...	N. H'ridge	76,876	.67	.67	.60	.61
.68	.21	...	N. Hosco	36,925	.35	.35	.30½	.32
.22	.10½	...	N. Jack Lk.	55,000	.16	.20	.18	.20
.41	.13	...	N. Jaculet	466,223	.38	.39	.34	.37
.50	.05½	...	N. Jason	384,934	.40	.45	.39	.40
.73½	.18	...	N. Kelore	69,510	.24	.28	.21½	.23
5.00	4.00	...	Newkirk	nil	...	4.60	4.85	4.70
.76	.35	...	N. Lafayette	40,725	.65	.76	.65	.76
.22	.06½	...	N. Laquerre	346,200	.11½	.11½	.10	.11
.27	.03	...	N. Louvre	18,500	.27	.26	.23	.23
.90	.12	...	Newlund	173,800	.73	.75	.65	.72
.28	.08	...	N. Marlon	84,700	.18	.14	.12½	.13
.40	.20	...	N. Minda-S.	7,875	.27	.30	.28	.29
.40	.17	...	N. M'l'que	24,300	.20½	.21	.19	.19
.40	.07½	...	Newnorth	29,000	.11¾	.13	.11	.12
2.50	.79	...	N. Pac. Coal	24,450	1.76	1.97	1.68	1.92
.25	.05½	...	N. Rouyn	121,674	.19	.23	.18½	.21
3.10	1.28	...	N. Royran	213,962	2.70	2.88	2.59	2.78
.17	.03½	...	N. Santiago	33,300	.14	.14	.12	.13½
.18½	.07½	...	N. Senator	77,666	.12	.13	.08½	.10
.65	.15½	...	N. Taku	nil	...	.30	.32	.30
.78	.20	...	N. Thurbois	171,800	.31	.34	.26	.31
1.00	.03	...	N. Vinray	260,400	.81	1.00	.82	1.00
5.25	5.25	...	N.Y. Alaska	nil	...	....	....	5.25
.10¾	.05	...	Nib Y'fe	50,800	.07½	.09¾	.08	.08½
1.57	1.00	...	Nickel Rim	147,230	1.42	1.57	1.40	1.54
3.10	2.00	...	Nipissing	37,800	2.88	2.95	2.74	2.87
.15½	.08	...	Nisto	10,100	.11	.12	.10	.10½
.17½	.09	...	Nocarro	1,000	.11	.12	.12	.12
.80	.46	‡.03	Nor-Acme	3,000	.46	.51½	.51	.51½
62.50	46.00	‡1.00	Noranda	9,934	55.75	56.25	54.00	54.00
.93	.15	...	Norgold	179,900	.37½	.41	.35	.37
.16	.09	...	Norlartic	6,025	.10½	.11	.10¾	.11
8.20	3.45	‡.68	Normetal	9,245	7.45	7.50	7.00	7.00
.77	.20½	...	Norpax	176,850	.52	.54	.50	.53
.16	.08½	...	North Inca	62,900	.11	.10¾	.09	.10
1.00	.40	...	N. Rankin	17,700	.92	.93	.90	.92
.17	.08	...	N. Trinity	11,500	.10¾	.10¾	.10	.10
.73	.40	...	North Can.	5,000	.56	.62	.58	.60
.50	.24	...	N.W. Vent.	23,000	.33	.42	.38	.39
.39	.38	...	Norvalie	1,500	...	.39	.38	.38
.28	.15	...	Nuclear	nil	...	....	....	.15
.99	.33	...	Nudulama	31,900	.57	.69	.60	.63
.59	.15	...	Obalski	32,300	.47	.50	.45	.46
.16	.06	...	Obaska	49,000	.16	.16	.11½	.12½
1.05	.51½	‡.02	O'Brien	20,030	.80	.80	.70	.70
.30	.09	...	Ogama Rock	6,600	.13	.14½	.13	.14
1.65	.70	...	Oka	4,000	.83	.90	.80	.80
.60	.22	...	O'Leary	30,500	.31	.32½	.29	.32
.07½	.03	...	Omnitrans	448,300	.04¾	.07	.04¾	.06½
10.50	2.30	...	Opemiska	19,446	9.35	9.50	8.85	8.90
.31½	.15	...	Orchan	6,000	.24½	.25	.23	.23
.57	.06¾	...	Orenda	276,300	.47	.53	.39	.39
.72	.58	...	Ormsby	63,788	.65	.72	.61	.70
.85	.38	...	Osisko	39,600	.53	.53	.49½	.53
.23	.10	...	Pac. East	16,095	.13	.13	.11	.12¾
.39	.22½	...	Pac. Nickel	4,000	.31	.30	.28½	.28½
.03	.03	...	Packsack	nil	...	.02	.03	.03
.72	.51	...	Pamour P.	1,500	.56	.58	.55	.58
1.50	.39	...	Panel	226,850	1.40	1.40	1.10	1.30
.13½	.06	...	Paramaque	19,500	.12	.12¾	.10	.12½
.45	.13	...	Parbec	21,500	.17	.19	.15½	.16
3.05	.70	...	Pardee	98,143	1.36	1.50	1.25	1.30
2.90	1.20	...	Pater	15,000	1.66	1.80	1.65	1.75
7.10	5.60	‡.20 +.75	Pato Con.	5,585	5.90	6.10	5.85	6.00
.46	.30	‡.01½	Paymaster	30,200	.38	.38½	.34	.35
5.25	4.00	‡▴.25	Pend Oreille	2,100	5.15	5.15	5.00	5.05
.42	.20	...	Perron Gold	nil	...	.28½	.30	.28
1.59	1.15	.10	Pickle Crow	12,227	1.35	1.50	1.37	1.50
2.35	1.60	‡.10	Pioneer G.	2,200	1.82	1.85	1.80	1.84
.33	.11	...	Pitch-Ore	83,500	.15½	.17	.14	.16
.26	.02	...	Pitt G.	185,000	.22	.23	.20	.21
40.37½	30.25	‡2.00 +1.00	Placer Dev.	1,715	38.12½	39.25	37.50	39.00
.30	.04	...	Porc. Prime	24,550	.23	.23	.20	.22
.72	.49	...	Powell R.	700	.55	.57	.56	.57
.10	.03½	...	Prem. Bord.	31,000	.07½	.08¼	.07½	.08
10.25	5.05	.08	Preston E.	3,085	7.95	8.30	7.70	7.70
.04	.02	...	Privateer	nil	...	.02½	.03	.02½
14.00	5.25	...	Pronto	8,150	9.10	9.40	8.75	8.90
8.50	2.15	...	Do. warr.	2,870	5.00	5.40	5.10	5.35
4.15	1.76	...	Prospectors	5,000	2.50	2.48	2.30	2.35
.50	.10	...	Purdy Mica	18,300	.19	.22	.19	.20
.51	.11	...	Quatsino	43,800	.46	.51	.44	.51
2.25	.19	...	Que. Chib.	164,400	2.15	2.20	2.08	2.10
5.10	1.10	...	Que. Cop.	37,500	3.15	3.20	2.90	2.95
.15	.08½	...	Que. Lab.	836,890	.09¾	.14½	.09¾	.13½
18.00	11.75	...	Que. Lith.	8,790	13.50	13.50	12.87½	13.25
1.66	.70	...	Que. Man.	9,450	1.45	1.50	1.35	1.40
5.85	3.10	...	Que. Met.	16,210	3.95	4.00	3.80	3.85
.63	.09	...	Que. Smelt.	459,600	.58	.63	.52	.54
.26	.17	...	Queenston	12,455	.20	.26	.20	.24
30.00	20.25	‡2.00	Quemont	6,275	27.25	27.50	26.25	27.37½
3.65	.84	...	Radiore	16,550	1.72	1.80	1.60	1.69
5.40	.75	...	Rayrock	107,300	2.75	2.80	2.50	2.50
.06½	.01½	...	Red Cloud	nil	...	.03	.04	.04
.29	.02½	...	Red Crest	52,500	.20	.20	.17	.18
.08½	.02	...	Red Hawk	7,500	.04	.04½	.04	.04
2.50	1.25	...	Reeves McD.	150	2.30	2.40	2.30	2.40
.31	.04¾	...	Regcourt	52,000	.13½	.15	.13	.13½
2.75	2.40	‡.20	Renabie	2,000	2.60	2.55	2.50	2.50
1.07	.40	...	Rexspar	36,250	.70	.73	.66	.66
.04¾	.01	...	Rice Lake	nil	...	.03	.04	.04
.31½	.21	...	R.-Rupununi	65,363	.27	.28¾	.26	.27
1.90	.73	...	Rix-A'basca	29,885	1.10	1.15	1.07	1.14
.78	.14	...	Roche L.L.	52,300	.20	.21	.19	.19
1.26	.34½	...	Rockwin	24,099	.59	.59	.43	.45
.45	.11	...	Rowan Con.	80,258	.19	.24½	.18	.23
.19	.09	...	Ryanor	2,500	.14	.15	.14	.15
2.20	1.27	.06	San Antonio	10,105	1.35	1.35	1.29	1.34
.35	.10	...	Sand River	18,600	.14½	.15	.12	.12
....	....	...	Scotia Gold	nil	...	....	....	.01½
.16	.08	...	Shawkey '45	13,033	.09	.11	.10	.10
1.60	.75	...	Sheep Creek	5,300	1.42	1.45	1.35	1.35
10.25	4.80	...	Sherritt G.	30,701	8.60	8.65	8.30	8.45
5.50	4.85	...	Sigma Mines	500	5.05	5.20	5.00	5.20
.30	.10½	...	Silanco	84,025	.27	.27	.23	.24½
.26	.07½	...	Silbak Prem.	7,525	.15	.20	.15	.17½
.15	.06	...	Silvan	32,500	.15	.15	.13	.13½
1.20	.85	*.03	Silver M.	27,537	.99	1.00	.95	.96
.42	.17	...	Silver R.	2,300	.35	.34	.31	.34
.79	.35	‡.02	Silver Stand.	5,400	.51	.55	.51	.55
.63	.38	‡.04	Siscoe	10,300	.60	.60	.52	.56
.30	.18	...	Slocan Duv.	139,128	.21¾	.30	.20	.27¾
.19	.03½	...	Soma Duv.	40,000	.12½	.13½	.11	.13
.04	.01½	...	Spud Valley	nil	...	.02	.03	.02
.40	.26	...	Stad'n '44	3,300	.30	.31	.31	.31
.68	.16	...	Standard G.	6,100	.42	.37½	.35	.35
.02	.00½	...	Star Lake	nil	...	.00½	.02	.00¾
.23¾	.10½	...	Starrat O.	10,500	.13½	.14½	.13	.13
.31	.05½	...	Steeloy	12,800	.13	.13½	.12	.13½
17.87½	7.60	...	Steep Rock	47,591	16.62½	16.87½	15.75	16.37½
.84	.12½	...	Sturgeon R.	135,550	.75	.75	.70	.72
.55	.15	...	Sudbury C.	20,500	.20½	.21	.18	.18½
8.20	5.10	‡.18 +.02	Sullivan C.	9,065	5.75	5.75	5.50	5.70
.50	.24½	...	Sunshine	26,400	.40	.40	.37	.39
1.50	1.30	...	Surety Oils	67,900	1.50	1.47	1.40	1.47
.13½	.06¾	...	Surf Inlet	8,384	.09	.09¾	.08	.09¾
1.85	1.25	.08	Sylvanite	11,400	1.30	1.31	1.27	1.30
.35	.07	...	Tache Lake	179,000	.24	.32	.22	.28
.20	.07¾	...	Tandem	27,700	.13	.14½	.12½	.13½
.46	.20	...	Taylor B.	4,400	.20	.23	.21	.32
.18	.08¾	...	Tazin	60,500	.13	.14½	.13	.13½
4.90	2.25	.15	T.-Hughes	15,860	2.45	2.48	2.35	2.35
3.30	1.96	...	Temagami	26,950	2.40	3.30	2.25	3.25
2.31	.15	...	Thompson	45,096	2.20	2.30	2.11	2.20
.75	.38	...	Tiara	20,320	.44	.45	.38	.45
.40	.04½	...	Tiblemont	1,000	.16	.12½	.12½	.12½
.59	.24	...	Tombill	64,830	.48	.53	.45	.49
1.48	.90	‡.08	Torbrit S.	2,900	.98	.98	.95	.95
.18	.08	...	Towagmac	4,000	.14	.15	.12	.15
1.71	1.62	...	Tr. Can. Ex.	12,767	...	1.71	1.62	1.69
.48	.32	...	Trans. Res.	9,900	.40	.40	.37	.38
.85	.59	...	Travers L.L.	nil	...	....	....	.70
.30	.10	...	Trebor	56,700	.20	.21	.19	.19¾
2.23	1.40	...	Trojan	75,400	2.23	2.05	1.76	1.95
.45	.10	...	Uddlen	16,300	.31	.31	.25	.30
.33	.21½	...	Union Min.	9,470	.24½	.25½	.24½	.25
9.60	4.80	...	United Ash.	8,800	7.05	7.05	6.65	.700
.91	.32	...	Un. Estella	43,680	.35	.36	.32	.33
9.00	6.50	*.10 +.05	United Keno	3,383	8.00	7.85	7.50	7.70
.75	.27	...	Un'd Mont.	51,755	.35	.40	.36	.36
1.37	.93	‡.05	Upper Can.	5,566	1.00	1.04	1.00	1.03
.02½	.01½	...	Utica	nil	...	....	....	.02½
2.15	.34	...	Valor	31,400	.42	.43	.35½	.40
.04¾	.01	...	Van'da '48	48,500	.03	.04¾	.03½	.04¾
48.00	19.87½	.30	Ventures	3,729	39.00	39.62½	38.25	39.25
.72	.06¾	...	Vicour	14,400	.21	.23	.02	.20
4.00	1.75	...	ViolaMac	3,625	3.15	3.20	3.10	3.10
2.25	.67	...	Virginia	23,130	2.12	2.12	1.98	2.10
17.00	11.75	1.40	Waite Am.	3,014	15.00	15.25	15.00	15.25
.61	.23	...	Weedon Pyr.	97,700	.49	.50	.45	.48
.16½	.04½	...	Wendell	41,000	.07½	.09	.08	.08
.84	.36	...	West. Ex.	nil	...	.42	.49	.42
.21	.04½	...	West Mal.	806,520	.08½	.21	.11	.19
1.00	.49	...	W. Potash	26,825	.67	.68	.65	.67
.29	.02½	...	Westville	142,700	.18	.23	.17	.20
3.60	1.90	...	Willroy	11,850	2.90	2.90	2.75	2.85
.15½	.07	...	Wiltsey C.	8,000	.12½	.13	.12¾	.12¾
.13½	.06	...	Winchester	25,500	.10	.10¾	.09¾	.09¾
.62	.06½	...	Windw'd	56,800	.34½	.35	.31½	.33
.08½	.02	...	Wpg. R. Tin	nil	...	.04½	.05	.04½
2.60	1.81	.12	Wright-Har.	13,450	1.95	2.03	1.93	1.98
.70	.39	♦♦‡.02	Yale Lead	76,400	.53	.55	.51	.51
.25	.07	...	Yellorex	12,300	.12½	.15	.12	.14
2.60	1.40	‡.07	Y'ke Bear	37,575	2.28	2.30	2.23	2.27
.19	.09½	...	Yukeno	28,016	.10½	.12	.10½	.12
.68	.51	‡.06	Yukon Con.	38,122	.58	.62	.57	.62
1.37	.20	...	Zenmac	594,032	.52	.70	.52	.58
.74	.30½	...	Zulapa	1,500	.45	.45	.44	.44

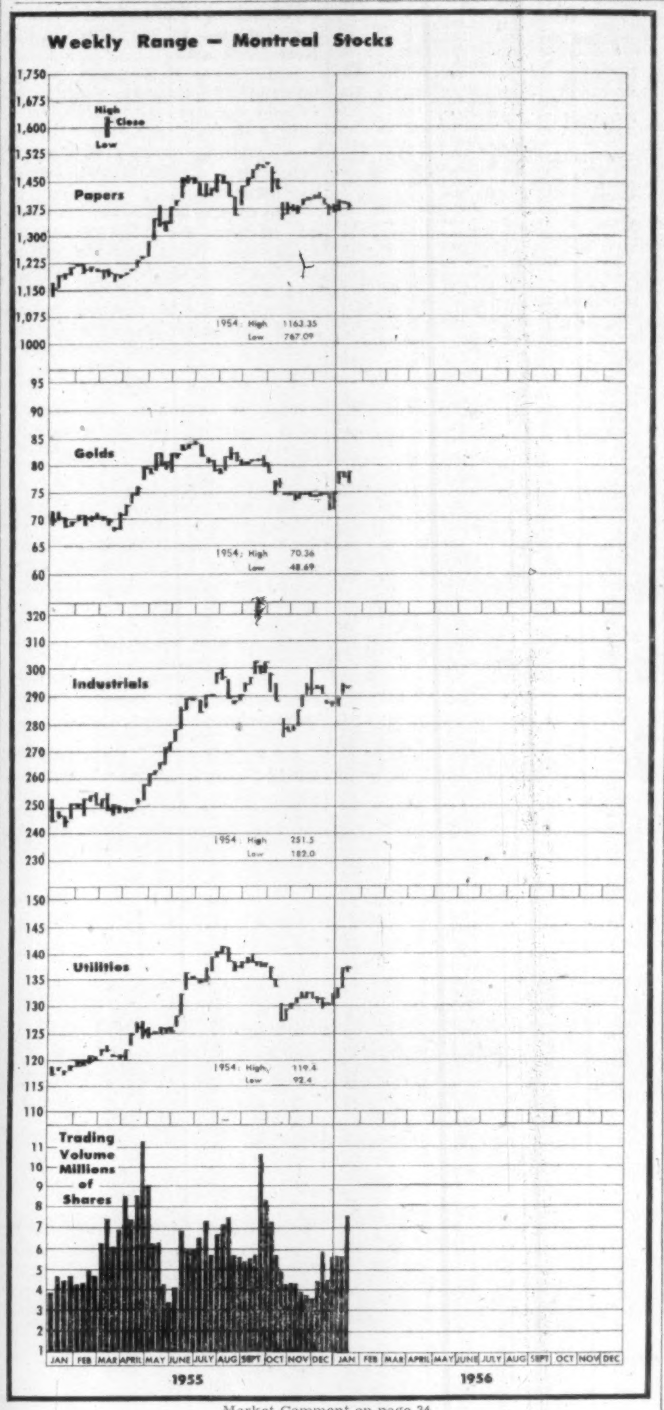
Oil Stocks

Range 1955-56 High	Low	Div. Rate $	Company	Sales	Last January 6	Week Ending January 13 High	Low	Close
.22	.15	‡.01	Acme G&O	6,000	.18	.18	.17	.18
1.01	.58	...	Ajax	11,300	.72	.75	.72	.73
.07½	.02	...	Albedina	5,000	.05	.06	.05½	.06
1.23	.70	...	Albermont	18,700	.75	.80	.75	.75
.39	.17	...	Do. warr.	17,200	.19	.21	.19½	.20
.50	.28	...	Alta. P. Con.	1,500	.29½	.30	.28	.30
.05	.02½	...	Aldina	nil	...	.05	.05½	.04
.44	.20	...	Altex	1,500	.25½	.27	.26	.26
2.00	.74	...	Am. Leduc	117,716	.94	.94	.85	.90
9.00	5.50	...	Amurex	nil	...	5.80	6.10	6.20
.16	.05	...	Anchor	11,700	.11½	.11	.10	.10
19.25	12.25	...	Anglo-Am.	500	13.87½	13.75	13.50	13.75
.33	.03¾	...	Apex	169,500	.16½	.20	.17	.18
13.75	6.75	...	Bailey-Sel. A	4,610	9.55	9.50	9.15	9.20
25.25	25.00	...	Do. 5% debs.	4,855	25.25	25.25	25.00	25.25
2.78	1.60	...	Banff	3,760	1.85	1.82	1.70	1.70
.05	.03½	...	Barons	2,660	.04	.04½	.03¾	.04½
.81	.30	...	Basca	7,100	.62	.57	.55	.56
.16	.08	...	Bashaw	1,000	.14½	.12	.12	.12
.21	.13	...	Bata	25,100	.15	.16	.14½	.15
.63	.20	...	Blue Crown	8,733	.25	.24½	.22	.23
2.20	.50	...	Bonnyville	25,666	.60	.62	.57	.60
1.35	.95	...	Bralsaman	1,200	1.03	1.00	.98	.98
3.85	2.30	...	Britalta	17,700	2.53	3.00	2.45	3.00
.09½	.05	...	Br. Pete.	7,100	.06	.07	.05½	.07
1.65	1.35	...	Cabanga	2,000	1.40	1.50	1.50	1.50
.80	.54	...	Calalta	17,500	.65	.63	.54	.55
23.00	13.87½	.10	Calg. & Ed.	3,800	22.00	21.87½	20.62½	20.75
.29	.13½	...	Calnorth	1,500	.16¾	.16½	.15½	.16½
6.95	4.90	...	Calvan	500	5.45	5.15	5.05	5.05
4.70	1.85	...	Canada Oil L.	3,400	2.00	2.00	1.90	1.90
2.75	.85	...	Do. warr.	1,650	1.00	.98	.85	.98
.75	.40	...	Canadian Ad.	23,120	.58	.55	.50	.51
.34	.13½	...	Cdn. Ana'da	5,000	.20	.19½	.18	.19
7.30	5.60	...	Cdn. Atlantic	9,044	6.45	6.45	6.00	6.10
1.75	.55½	...	Cdn. Br. Em.	8,939	.60	.61	.57	.57
.89	.60	...	Cdn. Dec.	18,831	.73½	.74½	.68	.70
.45	.17	...	Do. warr.	13,065	.40	.40	.37	.40
9.10	8.50	...	Cdn. Delhi	nil	...	....	....	9.10
3.25	1.75	...	Cdn. Dev.	43,330	3.05	3.15	2.90	3.15
.20	.07	...	Cdn. Emjay	3,633	.09	.10	.07½	.10
.25	.17	...	Cdn. Fortune	6,500	.20	.19	.18	.18
3.00	1.90	...	Cdn. H'stead	5,506	2.23	2.20	2.00	2.15
1.00	.50	...	Cdn. O&G	62,900	.65	.70	.54	.55
3.50	1.42	...	Cdn. PL&P	57,605	2.95	2.95	2.76	2.85
11.62½	3.70	...	Cdn. Prosp.	4,150	4.25	4.60	4.40	4.50
5.25	2.50	...	Cdn. Wil'ston	210	3.00	2.95	2.80	2.80
1.85	1.10	...	Canso Gas	1,425	1.20	1.25	1.17	1.17
3.00	1.61	...	Canso Pet.	4,600	1.75	1.74	1.65	1.75
5.20	2.01	...	Canso Prod.	2,200	2.40	2.25	2.20	2.20
1.40	.55	...	Canso Warr.	400	.85	.70	.70	.70
.36½	.27	...	Carleton	nil	...	.32	.34	.32
.33	.11	...	Castle O&G	850	.12	.15	.12	.15
7.50	4.50	...	Cent. Explor.	4,700	5.00	5.05	4.95	5.05
2.65	1.35	...	Cent. Leduc	41,010	2.20	2.45	2.11	2.35
.75	.18	...	Century	12,200	.26	.25½	.23	.25
.60	.25	...	Chamberlain	22,800	.36	.35	.32	.35
2.20	1.57	...	Charter	4,900	1.76	1.75	1.68	1.71
1.42	.20	...	Claybar	10,500	.23	.29½	.23	.27¾
.75	.75	...	Coastal	nil	...	.70	....	.75
2.25	.75	‡.15	Command	100	.82	.80	.80	.80
5.60	3.00	‡.40	Commoil	100	3.10	3.35	3.35	3.35
6.75	3.20	‡.35	Common P.	1,200	4.25	4.25	4.10	4.25
.25	.14	...	Cons. Allen.	14,180	.15½	.18	.16	.17
.36	.20	...	Cons. Cord.	500	.28	.30	.30	.30
.75	.35	...	Con. Dragon	8,391	.39	.41	.36	.39
1.02	.40	...	Con. East C.	9,803	.71½	.70	.68	.70
.06	.03	...	Cons. Gr. C.	2,832	.04	.03½	.03	.03½
3.50	2.00	...	Con. M. Mac	18,976	2.81	2.90	2.70	2.80
.19	.11	...	Cons. Peak	24,600	.12½	.12	.11	.11½
7.75	2.05	...	Con. W. Pet.	5,485	7.15	7.50	7.15	7.45
.22	.14	...	Dalhousie	4,535	.20	.19	.17	.19
1.97	1.05	...	Del Rio	41,850	1.45	1.64	1.42	1.60
2.15	1.25	...	Dev. Leduc	12,900	1.74	1.78	1.56	1.64
7.50	5.00	...	Dome	31,415	6.05	7.50	6.00	7.30
.25	.05¾	...	Dom. Min.	20,000	.12	.11½	.11	.11
.55	.09	...	Dubar	nil	...	.05	.10	.33
.40	.10	...	Edoran	60,150	.12	.17	.11½	.17
.51	.25	...	Emp. Oil	194,000	.30	.43	.29	.37
2.91	1.72	...	Fargo	4,100	2.22	2.25	2.10	2.20
.03½	.02	...	Freehold	7,000	.02¾	.03	.02¾	.02¾
.48	.18	...	Futurity	12,000	.33	.37	.29	.31
.33	.15	...	Gaspe	11,000	.25	.27	.22	.22
.16	.06¾	...	Gateway	nil	...	.07½	.08½	.07½
6.50	4.55	.20	Gen. Pet.	2,625	4.70	5.30	5.05	5.30
6.45	4.50	.20	Do. A	4,677	4.95	5.20	4.65	5.20
.10½	.06	...	Golden Sp.	2,000	.08½	.08½	.08½	.08½
29.50	18.50	...	Gt. Plains	2,137	26.50	29.50	26.00	29.50
4.50	2.00	...	Gt. Sw't Gr.	129,472	4.45	4.50	4.40	4.45
12.00	7.75	...	Gridoil	225	9.45	9.50	9.15	9.50
.05	.03	...	Hargal	7,100	.04½	.04½	.04	.04
.39	.15	...	Henderson	3,000	.17	.16	.16	.16
.30	.15	...	High C'rt	12,000	.20	.20	.20	.20
.15	.10	...	High Sarcee	11,000	.12½	.13	.12½	.12½
10.00	5.00	...	Hi-Tower	525	7.25	7.25	7.00	7.00
12.75	9.80	...	Home A	3,982	12.00	12.00	11.50	11.75
12.25	9.75	...	Do. B	3,059	11.75	12.00	11.50	11.87½
10.00	7.20	...	Husky	4,035	8.60	8.75	8.60	8.75
3.80	2.90	...	Do. warr.	1,690	3.70	3.70	3.50	3.60
.15	.07	...	Hy-Charger	63,500	.08½	.09¾	.08	.08¾
2.90	.51	...	Israel Cont.	11,000	1.90	1.90	1.75	1.80
.24	.16	...	Jump. Pound	nil	...	.22	.25	.22
3.10	1.77	...	Jupiter	2,200	2.25	2.29	2.15	2.28
.15½	.04½	...	Kenare	11,500	.04½	.06	.04½	.06
.43	.20	...	Keno	55,400	.33	.38	.32	.38
1.52	1.02	...	Kroy	7,500	1.10	1.18	1.10	1.12
.35½	.17	...	Leduc Cal.	2,850	.20	.20½	.19½	.20½
4.00	2.50	...	Liberal	30,140	3.15	3.10	2.95	3.10
.15½	.08	...	Long Is. P.	14,700	.11½	.11	.10	.11
.58	.30	...	Marigold	5,000	.35	.40	.35	.35
.06	.02	...	Marvel	nil	...	.03	.06½	.06
.21	.06	...	Merland	8,000	.19	.19½	.19	.19½
13.25	7.85	...	Merrill Pet.	7,867	12.50	12.75	11.75	12.75
2.05	.39	...	Midcon	91,350	.85	.87	.82	.83
.39	.20	...	Mill City	16,985	.27½	.30	.27½	.29
.40	.10	...	Monarch	17,500	.16	.15½	.14	.15
4.40	1.50	...	Nat. Pet.	21,089	3.40	4.40	3.40	4.35
1.87	1.05	...	N. Bristol	52,160	1.79	1.78	1.70	1.75
3.15	2.00	...	N. British	4,325	2.10	2.14	2.01	2.01
.81	.49	...	N. Concord	533	.49	.52	.52	.52
.79	.36	...	N. Cont.	35,022	.74	.75	.67	.67
.25	.14	...	N. Davies	2,000	.19	.18	.16	.16
2.24	1.48	...	N. Gas Expl.	16,230	1.70	1.70	1.48	1.55
.10	.06	...	New Ranch.	5,000	.08	.08	.07½	.08
.42	.17	...	N. Richfield	2,350	.24	.30	.22	.25
3.20	2.20	...	N. Superior	7,417	2.40	2.32	2.25	2.32
.57	.14	...	N. World	7,000	.16	.16	.14	.16
.32¾	.11	...	Nordon	13,305	.25	.32¾	.23	.26
5.95	4.25	...	North Can.	3,400	4.50	4.75	4.50	4.70
39.50	35.87½	...	Do. 5¼% pf.	110	†36.00	36.00	35.87½	35.87½
1.90	1.55	...	N. Cont.	9,000	.02¾	.02½	.02¼	.02½
.53	.22	...	Northland	7,000	.52	.53	.52	.53
.96	.35	...	Nucco	7,800	.36	.38	.35	.37
.12	.04½	...	Oil Select	28,166	.09	.09½	.08	.08½
2.26	1.30	...	Okalta	10,615	1.90	1.90	1.80	1.85
14.50	10.25	...	Pac. Pete	13,640	13.50	13.62½	13.00	13.25
4.70	2.65	...	Pan Israel	nil	...	....	....	2.65
.38	.25½	...	Pan West	6,500	.29	.29	.27	.27½
5.25	3.15	‡.30	Parker Drill	900	4.75	5.25	5.00	5.25
.95	.47	...	Pathfinder	22,616	.84	.88	.80	.82
10.37½	7.25	...	Peace River	3,645	8.30	8.40	8.20	8.25
3.60	1.58	...	Peruvian	8,900	2.96	2.95	2.81	▴2.95
3.20	.40	...	Petrol O.	168,140	1.58	1.63	1.27	1.45
1.62	.72	...	Phillips Oil	200	.84	.80	.80	.80
1.34	.68	...	Ponder	4,750	.84	.82	.75	.75
1.40	.40	...	Pontiac	2,100	.50	.55	.55	.55
.45	.22	...	Poplar	nil	...	.16	.40	.43
4.30	2.05	...	Prairie	2,800	3.55	3.55	3.30	3.55
.20	.07½	...	Que. Oil D.	22,150	.09½	.14	.10	.12
.69	.32	...	Quinalta	nil	...	.43	.52	.45
.07½	.02½	...	Realty	3,500	†.02	.03½	.03	.03½
.14	.07½	...	Reef Pet	7,900	.09	.10	.08½	.09
.06½	.03	...	Renfrew	1,000	.03	.03½	.03½	.03½
2.40	1.60	...	Rio Palmer.	39,762	1.90	1.95	1.73	1.90
.17¾	.09	...	Roxana	4,000	.12¾	.13	.11	.12
.11	.06½	...	Royal Can.	1,100	.07½	.08	.07½	.08
16.25	10.62½	.26	Royalite	2,696	13.50	13.87½	13.50	13.75
35.25	29.00	1.31¼	Do. 5¼% p.	255	31.75	31.75	31.25	31.75
.20	.07¾	...	Sage	11,000	.11	.10¾	.10	.10½
4.95	2.40	...	Sapphire	22,100	2.96	3.10	2.78	2.78
120.00	110.00	...	Do. 5% deb.	68,000	119.00	120.00	110.00	111.00
2.98	1.05	...	Scurry-Rain.	7,613	1.79	1.85	1.75	1.80
3.35	1.80	...	Security	4,750	2.95	2.95	2.75	2.76
.32	.09¾	...	Select Oils	4,000	.11	.11½	.10½	.11½
.10½	.03¾	...	Share Oils	4,000	.08½	.08½	.08½	.08½
.52	.23	...	Souris Val.	4,800	.26	.33	.28	.33
.50	.34½	...	So. W. Pete	nil	...	.36	....	.37½
1.00	.50	...	So. Union	3,000	.52	.56	.52	.54
.62	.23	...	Sparmac	4,300	.28	.30	.29	.30
.28	.13	...	Spooner	1,000	.17	.17	.17	.17
.84	.50	...	Stanwell	5,289	.60	.61	.56	.61
.23	.07½	...	Sturgeon	nil	...	.10½	....	.10½
1.29	.75	...	Texas Cal.	6,300	.95	.94	.90	.90
2.35	1.55	...	Trans. Emp.	13,561	1.70	1.78	1.70	1.73
.48	.25	...	Trans-Era	32,266	.33½	.35	.33	.34
.11	.05	...	Transfield	7,500	.07¾	.07½	.07	.07
.44	.08½	...	Trend	26,500	.14	.17	.14½	.16½
7.45	4.35	...	Triad	68,428	5.80	6.40	5.50	6.40
.22	.07¾	...	Tri-Zone	4,500	.15½	.15	.14½	.15
.40	.25	...	Turner V.	nil	...	.27	.35	.27
1.95	1.05	...	United Oils	67,675	1.72	1.78	1.68	1.75
.24	.17	...	Vanalta	nil	...	....	.22	.19
1.29	.37	...	Van Tor	5,000	.98	.98	.95	.97
.75	.29	...	Vulcan	1,000	.50	.57	.55	.55
.48	.22	...	Wespac	3,584	.23¾	.22¾	†.20	.22½
.75	.56	...	W'burne	3,000	.64	.68	.60	.68
.25	.11	...	W. Ashley	10,300	.13½	.15	.13	.13
8.40	4.85	...	W. L'holds	nil	...	....	....	5.90
1.90	1.30	...	W. Maygill	nil	...	1.40	1.50	1.53
1.68	.80	...	W. Naco	1,150	.80	1.00	.95	1.00
.50	.15	...	Do. warr.	2,294	.16	.22	.16	.22
.17	.08	...	W. Warner	3,493	.09	.09	.08	.09
.90	.41½	...	Wilrich	35,900	.50	.54	.47½	.47½
.36	.07	...	Y'ke Can.	19,500	.20	.20	.17	.18
.96	.54	...	Y'ke Prin.	7,600	.70	.70	.65	.67
.12	.07	...	York Oils	4,500	.08	.08	.08	.08

▴U.S. ♦♦Initial. *Paid in 1954. ‡Payable in 1955 to date. †Less than board lot. ♦When sale shown nil the figures are, bid, asked and latest sale.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Jan. 16	1,541,400	4,704,000	164,499	263,875	3,080,000
Jan. 13	1,401,900	6,202,000	119,350	299,565	2,930,000
Jan. 12	1,549,700	7,208,000	131,603	219,718	3,110,000
Jan. 11	1,356,400	5,516,000	115,110	304,643	3,000,000
Jan. 10	1,489,900	4,475,000	130,879	229,798	3,330,000



Market Comment on page 34

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$19.38	$19.65	$20.30
Hogs	22.64	22.57	26.80
Copper, lb.	.43	.43	.30
Sugar, raw, lb.	.0535	.0533	.0545
Coffee, lb.	.53	.53	.66¾
Hides	.14½	.15	.12
Weekly Commodity Indices			
Dow Jones	152.81	153.49	171.46
U. S. Labor	111.7	111.8	110.1
Monthly Commodity Indices			
Canada (D.B.S.)			
Retail (Dec.)†	116.9	116.9	116.6
W'sale (Nov.)	220.7	220.0	214.8
C. F'm Pro (Nov.)	196.9	196.8	204.6
U. S. (Oct.)	111.5	111.7■	■109.7
Gt. Brit. (Oct.)	345.1	342.9■	328.8

Note: †Cost-of-Living Index Revised to the Base of 1949=100.

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto Copper-electrotypes. New York Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

Municipal Bonds

January 17, 1956

	Coup %	Matur.	Bid $	Ask. $	Yld $
Calgary	3½	'69	96½	97½	3.75
Edmonton	3½	'69	94½	96½	3.85
Halifax	3½	'66	96	97	3.85
Hamilton	3	'67	92½	93½	3.70
Montreal	3	'70	88½	89½	3.95
Moose Jaw	3½	'60	97½	98½	3.85
Ottawa	3¼	'68	93¾	95¾	3.70
Regina	3	'64	91½	93½	3.85
St. John, N.B.	3½	'65	95½	96½	3.95
Toronto	3	'68	91½	93½	3.65
Vancouver	3¾	'69	97	100	3.75
Victoria	3¾	'68	96	100	3.75
Windsor	2¾	'75	78	80	4.25
Windsor	2½	'75	74½	76½	4.25
Windsor	3½	'75	87¾	89¾	4.25
Winnipeg	3	'69	90½	92½	3.70

Unlisted Stocks

(Compiled by Intercity Securities Corporation Limited, Toronto.)
January 16, 1956

	Bid	Asked
Algoma C. & H.B. R. com.	29.25	30.00
Do pfd.	1.50	2.00
Allens Toronto Units	43.00	....
Anglo Can. Telephone A	19.35	19.85
Bowater Ltd.	6.80	7.00
Bowes Ltd. 1% pfd.	.75	.90
Brinton Peterboro Carpet	45.00	50.00
Brit. American Assce.	122.00	127.00
B. C. Sugar	116.00	118.00
British Mortgage & Trust	215.00	230.00
B.C. Telephone 4½% pfd.	101.50	103.00
Calgary Power com.	49.00	49.50
Can. Crushed Stone 6% pf.	98.00	....
Can. Cons Grain Units	85.00	....
Can. Cons Grain com.	5.00	8.00
Can. Delhi Pete.	7.50	8.00
Can. Foreign Investment	27.00	....
Can. Foreign Securities	12.00	13.50
Can. Malting new pfd.	25.50	26.00
Capital Wire Cloth com.	14.00	....
Carlton Club	125.00	140.00
Cawthra Apts.	35.00	40.00
Chase, Dr A. W. com	1.90	2.50
Colonial Steamships com.	190.00	215.00
Commercial Finance	44.00	....
Commercial Life 10% pd.	19.00	....
Concourse Bldg. V.T.	52.00	....
Crain R. L. pfd.	.80	....
Crown Life Insce.	163.00	168.00
Debenture & Secs. 5% pfd.	90.00	93.50
Detroit Internat. Bridge	21.50	23.00
Dom. Can. Gen. Insce.	74.00	78.00
Dominion Life	800.00	....
Dom. Linseed Oil pfd. & com.	3.00	....
Dom. Mfr's. com	1.25	....
Do. pfd.	90.00	....
Dover Industries	10.50	11.00
Essex Packers com.	2.00	3.00
Do. pfd.	42.00	44.00
Goderich Elevator	22.00	....
Granite Club	13.50	14.25
Gt. Brit & Can. Inv. com.	10.35	11.00
Do. pfd.	118.00	125.00
Gt. Lakes Power com.	23.00	24.00
Gt. West Life Assce.	290.00	300.00
Guar. N. Amer. fully pd.	455.00	470.00
Do. 20% pd.	92.00	....
Halifax Insurance	16.00	17.00
Halton & Peel Trust	10.00	11.00
Heaps Waterous	2.50	....
Highland Dairy pfd.	40.00	....
Homewood Sanitarium	90.00	94.00
Hudson's Bay Co.	22.50	23.00
Humber Amusement Pier	.50	.70
Humberstone Shoe	7.75	9.75
Industrial Mtge. & Trust	70.00	80.00
Ingersoll Mach. Tool B	5.25	6.00
Ingram & Bell pf.	104.00	108.00
Internat. Holdings	19.50	....
Isotope Products	4.00	4.75
Jenkins Bros. com.	46.00	....
Lambton Golf Club	240.00	285.00
Lambton Loan, Sarnia	82.00	85.00
Lawson & Jones 1% pfd.	.75	....
Lombard Realty V.T.	52.00	....
Lond. Can. Inv. $3 pfd.	48.50	....
Do. A	41.00	....
London Life	180.00	200.00
Lord Simcoe Hotel A	1.75	....
Manufacturers Life	276.00	282.00
Monarch Life 40% pfd.	245.00	275.00
Mont. City Dist. Bk.	60.00	61.50
Morrow Screw Div. $2.00	38.00	42.00
National Life	250.00	300.00
Nat. Sewerpipe Units	14.00	17.00
Niagara Lower Arch Bridge	65.00	72.00
Northern Telephone	3.50	3.70
Oakville Golf Club	20.00	30.00
Oakville Wood 6% pfd.	89.00	94.00
Paramount Oshawa Theat.	12.50	....
Park Lawn Cemetery	1.75	....
Phillips Electrical	10.50	11.25
Prairie Royalty Trust Units	2.25	....
Prudential Trust	16.00	18.00
Rapid Grip Batten pfd.	100.00	103.00
Reliance Pete A & B	21.50	....
Do. pfd.	42.00	48.00
Robin Jones Whitman pfd.	22.00	24.50
Royal Oak Dairy B	3.00	....
Sincennes McNaught'n Line	3.25	....
Skyway Drive-In Theat.	1.55	1.85
Sovereign Life 25% pd.	88.00	95.00
Standard Fuel com	2.50	....
Do. pfd. $2.25	40.00	....
Summit Golf	18.00	25.00
Sun Life Assce.	290.00	300.00
Surpass Petrochemicals	1.50	1.60
Teleflex Ltd.	16.00	....
Thorncliffe Park	5.25	5.75
Toronto & London Inv.	2.15	2.35
Toronto Medical Arts Bldg.	47.50	....
United Can. Shares	17.10	17.50
Universal Cooler pfd.	100.00	....
Waterloo Mfg.	7.50	8.25
Waterloo Trust	30.00	....
West. Assurance com.	155.00	180.00
Western Life	78.00	85.00
Wood Alexander 6% pfd.	90.00	96.00
By Kippen & Company Inc., Montreal		
Algoma C. & H.B. R. com.	29.00	30.00
Beauharnois Lt., H. & Pr.	30.00	...
Calgary Power	49.00	50.00
Cons. Theatres A	7.50	8.50
Do. B	3.50	4.50
Cuban Can. Sugar	12.00	...
Dupuis Freres pfd.	23.50	24.50
Guar. Co. of N. Amer.	440.00	460.00
Guardian Realty	2.00	....
Hart Battery com.	8.00	10.00
Hudson's Bay Co. (new)	22.00	23.00
London Canadian A	40.00	...
Maritime Tel. & Tel.	18.50	19.50
Mtl. C. & Dist. Svgs. Bk.	60.00	62.00
New Brunswick Tel.	14.50	15.50
S. Nord Chemical Co.	1.00	....
N.S. Light & Power	14.50	....
Ont. & Que. R. 5% c. stk.	120.00	....
Prov. Bank of Can.	29.00	30.00
Prudential Trust Co.	16.00	...
Sherbrooke Trust Co.	150.00	...
Strategic Materials	29.00	30.00
Sun Life Assce. Co.	290.00	310.00

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VICE-PRESIDENT John C. L. Allen
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A New Era of Growth for a Pioneer Mining Company

For almost fifty years The Coniagas Mines, Limited has played a significant role in Canadian mining. Under new management, an important new era of growth is now opening up for this pioneer company.

Directly and through a controlled associate two proven silver-lead-zinc properties have been acquired, which are to be brought into production as quickly as possible. Several exploratory ventures are also in progress.

The company is well financed to undertake its contemplated programme, with over $4,000,000 in cash, securities and shares of associated companies. The Coniagas Mines, Limited has no funded debt.

As principals we are currently offering:

250,000 shares
The Coniagas Mines, Limited
Price: At the Market

A brochure describing this interesting mining venture is available upon request at any of our offices. Shares of The Coniagas Mines, Limited are listed on The Toronto Stock Exchange.

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DIVIDEND NOTICES

TAYLOR, PEARSON & CARSON (CANADA) LIMITED

Notice is hereby given that the 38th Quarterly Dividend at the rate of five per cent (5%) per annum in respect of all Preferred Shares of the Company issued and outstanding will be paid to all holders of Preferred Shares of record in the books of the Company as of January 31, 1956.

The Dividend will be payable at the Head Office of the Company on February 15th, 1956.

By Order of the Board,
TAYLOR, PEARSON AND CARSON (CANADA) LIMITED
G. C. MONTGOMERY,
Secretary-Treasurer.

Edmonton, Alberta,
January 6th, 1956.

THE ONTARIO LOAN AND DEBENTURE COMPANY

ANNOUNCEMENT TO SHAREHOLDERS

The Directors on 10th instant declared, from the earnings of 1955, an extra dividend to Shareholders of 1½% (15 cents per share of which par value is $10.00) on the present paid up capital stock of the Company, payable on 1st February, 1956, to Shareholders of record at the close of business on the 20th January, 1956.

F. E. A. McKELLAR,
Secretary.

London, Ontario, 11th January, 1956.

DIVIDEND NOTICE

PEOPLES CREDIT JEWELLERS LIMITED

Notice is hereby given that a semi-annual dividend of Fifteen Cents per share, plus a bonus of Five Cents per share, has been declared on the Common Shares of the Company to be payable on Wednesday, February 15th, 1956, to shareholders of record at the close of business on Tuesday, January 31st, 1956.

By Order of the Board.
BERTRAND GERSTEIN,
Secretary.

Dated at Toronto this 10th day of January, 1956.

GREAT WEST COAL COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of twelve and one-half cents (12½c) per share on the outstanding Class "A" shares and two and one-half cents (2½c) per share on the outstanding Class "B" shares has been declared payable February 15th, 1956, to shareholders of record at the close of business on January 31st, 1956.

By order of the Board.
T. L. MATHIE,
Secretary-Treasurer.

Brandon, Manitoba,
January 3rd, 1956.

DISHER STEEL CONSTRUCTION COMPANY, LIMITED

Preferred Dividend No. 105

Notice is hereby given that the regular quarterly dividend of Thirty-Seven and One-Half Cents (37½c) per share has been declared on the Class "A" Cumulative Redeemable Preference Shares of the company, payable February 1st, 1956, to Shareholders of record at the close of business January 13th, 1956.

By Order of the Board.
A. B. LOCKLEY,
Secretary.

Toronto, January 11th, 1956.

DONALD ROPES AND WIRE CLOTH LIMITED
HAMILTON * CANADA

DIVIDEND NOTICE

Notice is hereby given that a regular quarterly dividend of twenty cents (20c) per share has been declared on the outstanding Class B Participating Preference shares of the company payable on February 1, 1956, to shareholders of record at the close of business on January 16, 1956.

By Order of the Board.
S. H. GREEN,
Secretary.

Hamilton,
January 6, 1956.

THE SHERWIN-WILLIAMS COMPANY OF CANADA, LIMITED

Notice is hereby given that a dividend of Forty-Five Cents (45c) per share, for the quarter ending November 30, 1955, and that an extra dividend of Twenty-Five Cents (25c) per share, has been declared on the Common Stock, without nominal or par value, of the Company, payable February 1, 1956, to shareholders of record January 10, 1956.

By Order of the Board.
P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Quebec,
December 1, 1955.

MERSEY PAPER COMPANY LIMITED

NOTICE IS HEREBY GIVEN that a distribution will be made on February 1, 1956, out of tax paid undistributed income of fully paid 5 per cent cumulative redeemable preference shares of the par value of $100. Each in the capital of the Company, to common share holders of record as of the close of business on January 11, 1956, on the basis of one (1) such preference share for each eleven and one ninth (11 1/9) common shares so held dividends in respect of the said preference shares will accrue on and from February 1, 1956.

By Order of the Board.
J. A. PARKER,
Secretary.

Liverpool, N.S.,
January 4, 1956.

Market Bid and Ask Quotations

Montreal & Toronto Closing Quotations Jan. 17

DIVIDEND NOTICES

CANADIAN BREWERIES LIMITED

Notice of Dividends

NOTICE is hereby given that the board of directors has declared the following dividends payable April 3, 1956 to shareholders of record at the close of business on February 29, 1956:

1. A quarterly dividend of 31¼ cents per share on the outstanding $1.25 Cumulative Convertible Preference Shares of the par value of $25 each in the capital stock of the Company.
2. A quarterly dividend of 37½ cents per share on the outstanding common shares without par value in the capital stock of the Company.

By Order of the Board.
W. E. DREWRY,
Secretary.

January 16, 1956.

COLEMAN COLLIERIES LIMITED

NOTICE

NOTICE IS HEREBY GIVEN that the default in payment of all interest which will fall due on January 1, 1956, under the Trust Deed dated January 1, 1952, between Coleman Collieries Limited of the First Part and Crown Trust Company as Trustee, of the Second Part, has been duly waived as provided by the said Trust Deed and that the said interest due on the said date will not be paid.

The payment of the said interest due on January 1, 1956, is to be made on the 1st day of January, 1957.

DATED at Calgary, Alberta, this 30th day of December, 1955.

CROWN TRUST COMPANY,
Trustee,
227 - 8th Avenue W.,
Calgary, Alberta.

McCOLL-FRONTENAC OIL COMPANY LIMITED

"COMMON STOCK DIVIDEND NO. 68"

NOTICE IS HEREBY GIVEN that a Dividend of 30 cents per share has been declared on the no par value common stock of McColl-Frontenac Oil Company Limited for the quarter ending December 31, 1955, payable to February 29, 1956, to shareholders of record at the close of business on January 31, 1956.

By Order of the Board.
FRED HUNT, F.C.I.S.,
Secretary.

INTERPROVINCIAL BUILDING CREDITS, LTD.

COMMON DIVIDEND NO. 14

NOTICE is hereby given that a dividend of 20c per share has been declared on the Common Shares of the Company in respect of the quarterly period ending February 29th, 1956, payable on March 1st, 1956, to shareholders of record at the close of business on January 31st, 1956.

By Order of the Board.
MAURICE B. DIX,
General Manager.

UNITED KENO HILL MINES LIMITED

NOTICE OF INTERIM DIVIDEND

NOTICE is hereby given that an interim dividend of ten cents per share and an extra dividend of five cents per share has been declared on the issued capital stock of the company, payable in Canadian funds, on Tuesday, February 28th, 1956, to shareholders of record at the close of business on Tuesday, January 31, 1956.

By Order of the Board.
C. R. ELLIOTT,
Secretary-Treasurer.

Toronto, Ontario.

INVESTORS MUTUAL OF CANADA LTD.

Dividend Notice

Notice is hereby given that a dividend of 7 cents per share has been declared on the outstanding Capital Stock of the Company, payable on February 14th, 1956, to shareholders of record at the close of business on January 31st, 1956.

E. G. O. HOWARD,
Secretary.

Winnipeg,
January 6th, 1956.

CANADA'S ORIGINAL MUTUAL FUND
HAS DECLARED ITS
92ND CONSECUTIVE QUARTERLY DIVIDEND
EIGHT CENTS PER SHARE
PAYABLE FEB. 1, 1956 TO SHAREHOLDERS OF RECORD JAN. 16

Current declaration is same rate as year ago. Total of latest four quarterly dividends declared is 34 cents per share — 100% greater than in 1945.

TOTAL CASH DIVIDENDS SINCE ORGANIZATION EXCEED $19,000,000

CANADIAN INVESTMENT FUND, LTD.

U.S. A-Firm Opens Office

AMF Atomics (Canada) Ltd., a subsidiary of American Machine and Foundry, has been set up with headquarters in Toronto.

General manager of the new Canadian firm is Denton Massey, director of customer relations for AMF Atomics Ltd. and former Canadian MP representing Toronto-Greenwood.

The atomic energy activities of AMF began with the inception of the Manhattan Engineering District in World War II. Currently, the firm is constructing a nuclear research reactor for the Batelle Memorial Institute at Columbus, Ohio, along with the design and construction of Industrial Reactor Laboratories to be built in the New York area.

AMF plans to become the industrial "department store" for atomic energy equipment. Included in the firm's "shelf items" are handling devices which are being mass produced and control mechanisms.

The company also has developed designs for food-processing equipment using gamma radiation for the preservation of grains and some other field crops and has marketed a product called AMF Nucleonic Microfeed, a device that is attached to cigarette-making machines. By means of radio isotope - equipped beta gauge, it regulates the density of a cigarette, thereby confining cigarette weights to an extremely narrow range to assure better product uniformity.

The new Canadian AMF subsidiary will be directed by President and Board Chairman General Walter Bedell Smith, vice-chairman of American Machine & Foundry. Massey has been director of customer relations of AMF Atomics since 1954.

GENERAL DYNAMICS CORP., reports 5,011,458 common shares outstanding as at Jan. 11, 1956.

SUPERTEST PETROLEUM CORP., during month of Dec., issued 15,350 ordinary shares upon conversion of 4% convertible sinking fund debentures. As at Dec. 31, 688,780 ordinary shares were outstanding.

	Bid	Ask		Bid	Ask
Cdn G Inv	..	29	Int Pap	113¾	114½
Do rts	110	115	Int Util	39½	40
C Indust	21⅝	22¼	I P Util	13	14
CIL pr	91	95	L'gley pr	30	39
C Ing'soll	85	..	Lob Inc	86½	88
C Marconi	6¼	6½	M'Laren	85	93
C W Lumb	15	17	M&Q Pap	65½	67
C W'house	52½	52¾	Niag Wire	33	35
xCo Cop	750	800	Ogilvie n	49½	50¼
C Paper	34½	34¾	Do pr	160	161
xD'housie	18	20	xPato	590	595
DeHav	141	170	xPend O	475	500
Dish Stl	11½	..	Price Br	51	51¾

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

January 17, 1956

Public Utility Issue	Int. Rate %	Due	Bid.	Ask.	Prev. Week Bid
Alg. Cen. H.B.R.	5	'59	156½	159½	156
Bell Tele	3	'77	88	91	88
Do.	3½	'79	96½	99½	96
Bowater Pr. Co.	3½	'80	94½	97½	94½
Braz. Traction	4½	'70	81	84	81
B. C. Elec.	3½	'67	95	98	95
Do.	3½	'75	95	98	95
Do.	3¾	80	95½	98½	95½
Do	4¾	'79	103½	110½	103½
B. C. Tele.	4½	'75	105	108	105
Calgary Pr.	3½	'72	92½	95½	92½
Consumers Gas	4½	'74	99½	102	99½
Gatineau Pr. D.	3½	'70	95½	98½	95½
Gt. Lakes Pr.	4½	'75	97½	100½	97½
Maclaren-Quebec Power	3	'69	92½	95½	92½
Mex. Lt. & Pr.	5	'75	88	91	88
Nat. Lt. & Pr.	4½	'61	99½	102½	99½
North Que. Pr.	4½	'67	98½	101½	98½
Power Corp.	3½	'67	94	97	94
Quebec Pr.	3	'62	95½	98½	95½
St. Maurice Pr.	3½	'70	93	96	93
Shaw W & Pr.	3	'71	90	93	90
Do.	3½	'73	94½	97½	92
Winnipeg Elec.	3¾	71	98	101	98
Industrial Issues:					
Abitibi Pr P.	4	'74	97½	100½	97½
Acadia-At. Sug.	4	74	98	101	98
Aluminum Co.	4½	'73	101	104	101
Barvue M.	5s	'56	99	102	99
Bathurst P & P.	5½	73	102	105	102
B. A. Oil	3½	'74	94½	97½	94
Burns & Co.	4	'63	99	102	99
Canada Bread	4½	'67	96	99	96
Canada Cement	3¾	'75	96	99	96
Can. Steamship	4	'66	99½	102½	99½
Can. Breweries	4¾	79	104	107	103½
Can. Canners	3¾	'70	97	100	97½
Can. Celanese	3	62	95	98	95
Can. Chem Co.	5½	'71	99	102	99
Can. Indust. (1954) Ltd.	3¾	'74	96	99	96
xCan. Oil	4	76	94	97	93½
C.P.R.	3¾	'72	96½	99½	95½
Can. West Lum.	4	'62	100	103	100
Cockshutt Plow Co.	4½	'65	92½	95½	92
Columbia Cell.	5	'68	99	102	99
xCon. Denison	5	'62	97	100	97
Dom. Fd & Stl.	4½	'69	102	105	102
Dom. Stores	4½	'75	99	102	99
Dom. Tar & Ch.	5	'67	102	105	101½
Dryden Paper	4¾	'74	101½	104½	101½
T. Eaton Accept.	4¾	'74	103	106	103
E. B. Eddy	4	'74	97	100	97
Elk Falls Co.	5	'75	101½	104½	101½
G. M. Accept.	4	'64	98	101	98
Gunnar M. Ltd.	5	'60	100½	103½	100
Hudson Bay Oil & Gas	4	'75	95	98	95
Husky Oil	5	'69	96	99	96
Imp. Tobacco	3	'70	92	95	92
Imp. Oil	3¾	'75	96½	99½	96½
Indust Accept.	4½	'74	99½	102½	99½
Irving Oil Co.	5½	67	101½	104	101½
Loblaw Groc.	4	'75	95	98	94½
Maple L. M.	3¾	'63	98½	101½	98½
Massey-Harris	5	'67	102½	105½	102½
Mon. Knit	4¾	71	77	100	77
N. S. Steel Coal	3½	'63	95½	98½	95½
Price Bros.	3½	'66	95	98	96
Pronto Uran. Mines Ltd	5	'60	99	102	98½
St. Law Corp.	5	'72	103	106	103
Sil'wood Dairy.	4	'71	96½	99½	96½
Simpsons Ltd.	4¾	'73	102	105	102
Simpsons-Sears Ltd.	4½	'79	101	104	101
Steel Co. of Can.	2¾	'67	91½	94½	91½
Traders Fin	5½	'69	103	106	102½
Union Acept.	5½	68	100	103	100
Un. Grain Gr.	3¾	'70	91½	94½	91½
George Weston xEx wts.	4¾	'68	103	106	103
CONVERTIBLE ISSUES					
Ajax Pete Ltd.	5	'62	94	97	94
Ang. Am. Exp.	5½	'75	99	102	99
Atlas Steels	5	'67	104½	107½	103
Braz. Traction	4½	'71	78	81	77
B. A. Oil	3½	'61	170	178	167
Do.	3½	'62	134	139	133
Can. So. Oils	5	'61	82	85	82
C.P.R.	3½	'66	106½	109½	103½
Do.	4	'69	110	113	107½
Cdn. P'fina	4	'72	106½	109½	108½
C. Leduc Oils	5	'65	87	90	87
Cockshutt Farm	5	'68	95½	98½	95½
Dom. Stl & C.	4½	'70	105½	108½	106
Dom. Textile	4	'66	95	98	95
Gen. Pete.	4½	'65	96	99	96
Jupiter Oils	5	'67	90	95	90
Kroy Oils	5	'67	96	99	96
New Concord D.	5½	'65	92	96	92
N. Sup. Oils	5	'64	96½	99½	96½
Pathfinder Pet	2-5	'62	80	85	80
Power Corp	4½	68	162	..	165
Scurry Oils	5	'64	96	99	96
Sil'Wood Dairy.	5½	'72	128	133	128
Traders Fin	4¾	'69	115	121	119
Trans Empire	5	'66	94	97	94½
Do.	5½	'67	97	100	97
West. C. Brew.	5	'67	133	..	133

Investment Trusts

	Divd. pd. cents	Bid $	Ask $
All-Can. Comp. Fund	(402)	4.90	5.33
All-Can. Div. Fund	6(17.25)	4.64	5.04
Balanced Mut.	3(15)	5.23	5.75
Can. Invest. Fund	8(34)	8.91	9.77
Canafund	(110)	34.54	36.27
Com'wealth Inter.	13(28)	7.64	8.40
Corporate Inv.	9(26)	8.45	9.18
Diversified Inc. Shs. B	(12)	4.10	4.45
Dom. Equity Inv.	(42)	14.45	14.75
Grouped Inc. (new)	....	3.79	4.14
Growth Oil & Gas	....	5.74	5.97
Inter-Amer.	....	10.84	11.98
Investors Mut.	7(30)	9.74	10.53
Leverage Fund	(20)	5.69	6.25
Mut. Ac. F.	(23.53)	6.18	6.71
Mutual Income	6.3(23.42)	5.08	5.52
Resources of Can.	(6)	6.97	...
Sup'vised Amer.	(21)	5.84	5.90
Supervised Executive	....	34.04	35.38
Sup'vised Gr'th Fund	(4■)	2.20	2.22
Sup'vised Inc. Fund	(22)	4.25	4.29
Timed Invest.	(20)	†5.30	*5.30
Trans-Can. A	(83)	27.65	...
Do. B	(96.6)	29.45	...
Do. C	(19)	5.85	6.25

†Less or (*) plus stock exchange commission.
▲Paid or payable in 1956; total paid in 1955 in parentheses.
■Plus stock divd.

Unlisted Mines, Oils

(Compiled from Quotations by G. E. Leslie & Co., Montreal)

January 16, 1956

Stock	Bid	Off.	Stock	Bid	Off.
Abeta	15	20	Nat'l Mal	20	25
Adnor	4	7	N Lorie	14	16
Anthonian	40	45	N Mal	3	6
Belmont	6	10	N Augur	5	8
Bluegrass	15	20	N Pen	3	5
Brosnan Ch	86	90	Nipiron	28	33
Can Javel	9	9½	Norbeau	90	100
C Shield	115	125	Oklend	7	10
Chess Ur	63	68	Opem Ex 1	40	45
Cleveland	44	47	O Nick n	14	18
Clinger	8	11	Pascalis	11	14
Cont Cop	32	36	Power U	10	24
Dawmac	150	200	Provincial	7	..
Derogan	4	6	Que Beryl	..	18
Flu Bar	100	110	Que Oka	56	60
Fundy	21	23	Quedon	17	23
Garland	..	20	Quejo	9	13
Glencona	5	6	Rainville	105	115
Goldmaque	7	10	Rand Mal	5	7
Imp Min	13	16	Redcon	5	8
Independ	13	16	Roymont	15	20
Int Asb	6	10	St Lawr	..	75
Kamlac	7	11	St Mich	75	80
Kenbay	12	17	Scott Ch	11	14
Kenmac	30	35	Selby M	30	35
K Cop	27	34	Sheff C	..	10
L Nordic	295	310	S Bach	10	15
Lassie	5	8	Starlight	19	24
Lun-Echo	60	65	Titanium	85	90
Mackellar	..	25	Utd Met	32	35
Main Oka	25	30	Wesley	17	20
Miller C	90	100	W Leys	14	18
Montgomery	4	7	Y Dave	7	9

Grain Prices

Winnipeg Futures

Week to Jan. 16, 1956

Crop year from Aug. 8, 1955 High	Low		High for week	Low for week	Close Jan. 16
		Oats—			
.73½	.67	May	.73½	.72⅝	.73
.71½	.68	July	.71	.70½	.71
.70	.69⅜	Oct.	.69⅝	.69⅜	.69½
		Barley—			
1.01½	.80⅜	May	1.00⅜	.99½	.99½
.97½	.93⅜	July	.97	.96½	.96½
.96	.94⅝	Oct.	.95½	.94⅝	.94⅞
		Rye—			
1.14½	.87⅞	May	1.14½	1.08⅞	1.09
1.12½	.96⅞	July	1.12⅝	1.07½	1.07½
1.11¼	1.06⅜	Oct.	1.10⅞	1.06⅜	1.06⅞
		Flax—			
3.75½	2.69⅜	May	3.75	3.62½	3.66½
3.62	2.83	July	3.60½	3.47⅞	3.52
3.40	3.20	Oct.	3.34	3.21½	3.22

Winnipeg Cash

	For Week Jan. 16 High	Low	Prev. week High	Low
Oats—				
2 C. W.	.81½	.81⅜	.81⅞	.81
3 C. W.	.74⅞	.74⅝	.74⅞	.74
Barley—				
1 Feed	1.00½	.98½	1.00⅜	.99½
2 Feed	.99½	.97½	.99⅜	.98½
1 Malt	1.13⅜	1.12⅞	1.15	1.12⅞
Rye—				
1 C. W.	1.09½	1.04⅞	1.09⅞	1.06
2 C. W.	1.09½	1.04⅞	1.09⅞	1.06

Chicago Futures

Week to Jan. 16, 1956

Crop year from Aug. 8, 1955 High	Low		High for week	Low for week	Close Jan. 16
		Wheat—			
2.12	1.88½	Mar.	2.12	2.09⅜	2.10⅜
2.13	1.90	May	2.09½	2.07	2.07⅜
2.00	1.74⅜	July	2.00	1.97	1.98
2.02⅜	1.87½	Sept.	2.02⅜	1.99⅜	2.00½
2.05½	2.03½	Dec.	2.05⅜	2.03½	2.04⅜
		Corn—			
1.47⅞	1.26	Mar.	1.31	1.29	1.29⅜
1.49½	1.30½	May	1.34⅜	1.32½	1.33½
1.49½	1.33½	July	1.38	1.35⅞	1.36½
1.38	1.30½	Sept.	1.37½	1.35⅝	1.35⅞
1.33⅜	1.32⅜	Dec.	1.33⅜	1.32⅜	1.33⅜
		Oats—			
.69½	.62½	Mar.	.66⅞	.64½	.64½
.70½	.62½	May	.65⅞	.63½	.64½
.67⅜	.61⅝	July	.64⅞	.63½	.63⅜
.66⅜	.63	Sept.	.66⅝	.64⅞	.65½
		Rye—			
1.26	1.00	Mar.	1.25½	1.20	1.20½
1.25½	1.01⅜	May	1.25⅜	1.20	1.20⅜
1.22⅜	1.08	July	1.22⅜	1.18½	1.19
1.23	1.07½	Sept.	1.23	1.19½	1.19⅞
		Soybeans—(old contracts)			
		Jan.	2.40⅝	2.39	2.40⅜
		Soybeans—(new contracts)			
		Jan.	2.44½	2.40½	2.43½
		Mar.	2.47	2.43⅞	2.46⅞
		May	2.49⅜	2.46½	2.49½
		July	2.49	2.46	2.48⅞
		Sept.	2.42	2.39	2.41½

Chicago Cash

	For Week Jan. 16 High	Low	Prev. week High	Low
Corn—				
2 Yell. (new)	1.29½	1.29	1.30½	1.29⅞
Oats—				
1 H. W.	.69½	.68½	...	...

Government Bonds

Jan. 17, 1956 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Govt. of Canada Bonds:			
3	Jan. 1959	99½	99½
3	June 1960	98½	98⅞
3	Feb. 1962	97⅞	98⅞
3	Oct. 1963	97⅞	98½
3	Sept. 1966	97½	98
3¼	June 1966	98⅞	99⅞
3	Perpetual	†92½	93½
2¾	June 1968	94½	94⅞
3¾	Jan. 1975/78	104	105
3¼	June 1974/76	98½	98⅞
Cdn. Nat. Railways:			
3	Jan. 1959	98	99
4½	Feb. 1956	■100	100½
2¾	Jan. 1967	93⅞	94⅞
3	Jan. 1966	96½	97½
2¾	Sept. 1969	93⅜	94⅜
4½	July 1957	♦102	103
Grand Trunk Pacific Rly:			
3	Jan. 1962	■99½	100½
4	Jan. 1962	■104	105½
Int. Bank for Reconstruct. & Devel't.			
3½	April 1965	96½	97½
3½	June 1969	98	99
C'wealth of Australia:			
4	Nov. 1970	99	100
Prov. Govt. Bonds			
Alberta:			
2¾	Mar. 1970	♦95	96½
British Columbia:			
4½	Jan. 1969	♦110½	111½
3	Dec. 1969	97	98
3	June 1964	96	97
5	Sept. 1959	♦104½	105⅞
B. C. Power Comm.:			
3	Oct. 1967	94½	96
Manitoba:			
4	Dec. 1957	♦100⅞	101⅞
5	Dec. 1959	■104⅞	106⅞
5½	July 1958	105	106½
3	Oct. 1965	95½	96½
4½	Dec. 1956	♦100½	101⅞
New Brunswick:			
4½	Apr. 1961	♦103½	104⅞
2¾	June 1966	90½	91½
3½	May 1957	98⅞	99⅞
3½	Sept. 1965	97½	98½
Nova Scotia:			
4½	Nov. 1960	♦103½	104⅞
5	Mar. 1960	♦105	106½
3½	June 1963/65	96	97
3	June 1956/58	98	99
2¾	June 1965/68	90	91
Ontario:			
2¾	Nov. 1965/69	90	92
4	June 1962	♦104⅞	106
4½	Jan. 1962	♦105	106½
2¾	July 1967/76	89⅞	90⅞
3	Nov. 1963/65	94½	96
5	May 1959	■104	105½
4	June 1969/72	101⅞	102⅞
Ont. Hydro Commission:			
4	Aug. 1957	■100½	101⅞
2¾	Oct. 1965/68	90	91½
3	Dec. 1963/65	94	95⅞
3	Nov. 1967/69	92	93½
3½	May 1974/79	96½	97½
Prince Edward Island:			
3	Oct. 1965	93½	94½
Quebec:			
4½	Aug. 1958	101	102
4½	Jan. 1963	103½	105
3	Sept. 1962/64	95½	96½
Quebec Hydro Commission:			
3	Feb. 1969/73	91	92
3	Dec. 1958/60	97	98
3½	May 1971/74	95½	96½
Saskatchewan:			
4	Nov. 1955/60	98⅞	100½
5	Aug. 1958	102⅞	103⅞
4½	Mar. 1960	♦103½	104⅞
5	Dec. 1959	♦104⅞	106
3	Mar. 1963	95	96½
3½	Nov. 1960/62	97	99½
3¾	Oct. 1962/65	98½	100½
Newfoundland:			
4½	July 1964	103	104

■Payable Can., N.Y. or £. ♦Payable Can. or N.Y. †Callable on or after Sept. 15, 1958.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's
No. of Securities	11	9	2	5	10	14	10	15	9	7	14	100
*1935 to date:												
High	825.3	1105.9	252.0	180.1	410.5	203.5	650.0	472.9	201.2	275.1	214.1	259.3
Low	69.7	51.6	61.2	41.2	78.4	79.5	79.3	66.7	60.2	60.0	62.5	61.1
1955 Monthly Figures:												
Jan.	554.2	840.5	157.9	161.0	179.6	154.7	511.0	395.9	165.6	230.8	181.0	207.3
Feb.	592.7	873.6	171.0	162.0	178.2	157.6	518.7	407.4	167.7	241.1	184.0	214.7
Mar.	616.4	864.5	162.1	158.5	173.0	159.9	511.8	404.6	119.8	236.5	185.2	213.7
Apr.	641.3	911.0	172.7	157.5	169.4	169.8	507.8	408.6	173.6	233.0	185.6	216.5
May	658.4	991.4	180.1	154.0	170.0	171.0	556.7	423.7	173.4	234.4	191.7	222.1
June	726.2	1044.7	183.8	163.6	172.4	177.2	582.2	447.7	183.1	243.3	202.9	237.1
July	760.8	1069.8	197.0	169.2	178.3	187.5	589.3	458.7	194.3	270.6	208.9	246.5
Aug.	735.6	1066.9	198.5	164.7	176.2	194.8	592.0	457.2	195.2	263.2	207.0	245.3
Sept.	794.0	1098.2	215.1	174.1	183.2	199.6	640.1	467.9	199.3	259.0	211.2	255.9
Oct.	742.7	1044.9	227.1	164.1	187.3	196.2	609.8	435.8	182.1	240.0	200.6	239.9
Nov.	766.5	1062.5	213.3	168.8	187.7	197.1	593.2	453.8	184.7	250.8	201.4	245.6
1955-56 Weekly Figures:												
Dec. 1	769.3	1076.0	209.5	166.8	182.9	196.1	579.8	460.8	184.1	252.6	203.4	246.3
Dec. 8	781.9	1085.8	207.2	171.2	177.1	203.5	590.4	459.6	184.0	253.4	204.4	250.0
Dec. 15	774.3	1064.8	206.7	168.1	177.5	200.1	579.7	457.0	184.1	253.3	203.1	246.3
Dec. 22	745.0	1065.3	208.6	171.1	174.9	201.0	579.1	455.4	187.7	253.9	204.4	246.6
Dec. 29	748.6	1074.6	213.7	176.8	178.4	199.2	580.4	456.4	189.9	253.9	205.9	248.8
Jan. 5	750.7	1086.1	218.5	177.8	182.5	198.9	590.3	464.5	195.5	255.3	207.8	251.8
Jan. 12	745.0	1071.8	215.8	177.7	180.2	196.2	592.3	465.5	194.0	261.5	208.9	251.6

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	15 B.M.	15 W.O.
Jan. 16	439.44	87.81	225.70	120.39
Jan. 13	441.63	88.36	228.25	121.27
Jan. 12	442.77	88.03	229.66	120.58
Jan. 11	440.51	88.00	228.19	119.70
Jan. 10	438.17	87.79	226.84	119.51
Month Ago	433.52	86.42	216.17	118.21
Year Ago	378.56	81.66	161.94	103.91
1955-56 High	455.90	90.06	230.12	122.69
1955-56 Low	374.18	79.03	157.31	98.68

Montreal Stock Exchange Index

	10 Util	20 Indus	30 Com	10 Pprs	15 Golds
Jan. 16	136.9	291.3	239.9	1375.61	78.25
Jan. 13	137.5	293.5	241.4	1385.76	78.85
Jan. 12	137.5	292.4	240.8	1379.73	78.51
Jan. 11	136.9	293.0	241.0	1372.03	77.05
Jan. 10	136.4	292.8	240.7	1375.40	76.88
Mon. Ago	130.9	286.5	234.6	1368.77	72.07
Year Ago	118.5	245.3	203.0	1185.75	69.84
1955-56 High	141.8	302.2	247.5	1396.16	84.03
1955-56 Low	117.7	243.2	201.1	1139.92	67.43

Dow-Jones Closing Stock Averages

	30 Indus	20 Rails	15 Util	65 Stocks
Jan. 16	476.24	158.37	63.75	168.67
Jan. 13	481.80	160.68	64.01	170.58
Jan. 12	481.80	160.11	63.91	170.36
Jan. 11	478.42	159.71	63.58	169.44
Jan. 10	476.12	157.68	63.45	168.30
Month Ago	481.80	161.42	64.21	170.89
Year Ago	388.20	137.84	62.06	144.39
1955-56 High	487.80	167.83	66.68	174.21
1955-56 Low	388.20	137.84	61.39	144.39

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OFFICES THROUGHOUT CANADA

ANNOUNCEMENT

S. C. BIRD

Mr. C. R. Hughes, President of Automatic Electric Sales (Canada) Limited, has announced that, at a recent meeting of the Board of Directors, Mr. S. C. Bird was elected a Vice-President and a Director of the Company.

Mr. Bird joined the organization in 1940, was appointed Manager of Industrial Sales in 1945 and General Manager in 1954. He will continue in this capacity with the title of Vice-President and General Manager.

WEST BEND ALUMINUM CO. of West Bend, Wis., has established a Canadian subsidiary: West Bend Aluminum Co. (Canada) Ltd. with head office at 501 Dominion Bank Building, 68 Yonge Street, Toronto. Shipments will continue to be made from the West Bend and Hartford, Wis. plants.

Ont. Inquiry Finds No Panacea for Golds As Committee Issues Its Final Report

Recommends Continued Cost-aid, More Public Regard for Workers

In an attractive and well-illustrated 117-page volume, Ontario's Committee of Inquiry into Gold Mining gives a wealth of hitherto unpublished information on this industry in Canada's leading gold-producing province.

But, as indicated in an earlier interim report, the committee, chaired by Professor F. A. Knox, head of the Department of Political and Economic Science, Queen's University, was unable to come up with any forthright recommendations for the betterment of a languishing gold industry.

Specifically, the committee does recommend that emergency assistance to gold mining should be continued by the Federal Government — and that basis of apportionment should be reassessed periodically.

The committee also suggested that the Provincial Government should keep under review grants to gold-mining communities for public services and see that the welfare of people in gold-mining communities is safeguarded.

Recommendations are contained in "Concluding Observations" of the report which are given in full below:

The average annual level of wholesale prices in Canada rose by 81.8% between 1945 and the peak year of 1951. When there is a great rise in so short a time, individual commodity prices move upward at very different rates. The relationship of sales revenues and costs of raw materials and labor is disrupted. For industries whose prices rise faster than the average, paying higher wages and meeting increased prices for raw materials is easy. Others in the opposite case find themselves in a tightening "cost-price squeeze" against which they struggle by resisting increases in wages and striving to improve their efficiency.

Of the latter class of industries, gold mining is a striking example. The price which Washington pays for an ounce of gold has not been changed since 1934. Since then prices and wages have more than doubled. Had the cost of power, materials and labor used in mining a ton of gold ore risen in anything like that proportion, few gold mines would now be in production. But the prices of materials used and the wages paid in the gold mines have both risen less than the national average. By a great investment in more productive tools and machinery and improvements in mining methods since 1948 the rise of the cost of mining per ton has been halted. Nevertheless costs have risen considerably, and most mines have made much lower profits since 1940. Some mines have closed; others might have done so had not the Federal Government begun giving emergency aid to gold mines in 1948.

Industry Will Survive

From this reversal in its fortunes it should not be concluded, however, that gold mining is near collapse. Gold has not been abandoned as a monetary metal. Though the United States shows no inclination to raise the price of gold, it is buying gold as offered. Production of gold in Ontario is still at high levels; many workers are employed in the gold mines and their earnings support large communities.

It is probable that if great increases in costs occur soon, or if aid is withdrawn, employment in the mines would be seriously reduced, and the economic life of the mining communities made very difficult. Given time, and a not-too-rapid rise in wages, increasing productivity should make it possible for most of the mines on which these communities depend to continue production on a scale large enough to keep the towns going for some years. In that case the rapid growth of Northern Ontario should greatly improve the chances of attracting other industries. With such a possibility ahead of the gold towns there are no good grounds for planning now for their abandonment.

Developments in the next few years should do much to clarify the position of gold mining and the gold-mining communities. Present price, wage and exchange-rate levels should be confirmed or new trends established. It should then be easier to appraise the possibility that the general economic development may compensate for the decline in gold mining. Meantime, emergency assistance to the mines should be continued by the Federal Government. Its levels and methods of apportionment should be reassessed periodically in the light of events as they bear on employment in the mines and on the welfare of the gold-mining communities.

Where communities are dependent upon industries in which employment is steady or slowly declining, it is generally true that the local supply of labor tends to be relatively large and incomes tend to be relatively low. The young people of such communities may not move away in the numbers necessary to keep local wages moving with the national trend. Labor mobility should be particularly encouraged in such situations. Youths should be as well trained as they are in more prosperous communities. To assure the health and adequate training of the young Canadians who grow up in the mining communities, education, health, social and municipal services should not only be maintained; they should keep pace with their growth elsewhere.

If long-lasting structures such as schools or hospitals are involved, they should be provided even though their use for a normal life may be uncertain. The mining communities now receive payments from the Provincial Government, not only through the regular grants for education, health and welfare, but also by special grants. Since standards in the public service of the province constantly improve, the Provincial Government should keep under review the adequacy of these grants to the gold-mining municipalities.

To make the best use of the national labor force, those seeking employment in these communities — whether youths, older workers or immigrants — should be kept fully informed of the full range of occupational opportunity which Canada has to offer. Thus, through the schools and the employment service, the provincial and federal governments can contribute to the health and education of the labor force in the mining communities and encourage the individual to make the best use of his capacities either in gold mining or some other occupation.

Story Behind Ontario Golds

(Ont. Inquiry Committee figures)

Gold Mine Earnings Decline . . .

	Mining profits* $	Value of production $	Dividends paid $	Dividends as % value Total Production
1936	37,383,000	80,951,954	29,664,371	36.6
1940	49,923,000	122,625,982	34,841,615	28.4
1945	16,057,000	59,498,969	16,694,416	28.1
1950	17,945,000	93,172,812	17,276,092	18.5
1953	6,685,000	74,311,624	14,242,485	17.9
1954	....	79,210,802	....	...

*Exclusive of cost-aid.

But Average Wage Somewhat Higher

	Gold Mining		Other Mining	
	Wage earners	Average annual wage	Wage earners	Average annual wage
1936	13,432	$1,601	9,552	$1,468
1940	18,611	1,755	11,766	1,733
1945	10,078	2,000	12,613	1,973
1950	12,898	2,763	15,580	3,009
1953	10,565	3,204	20,790	3,856
1954	10,459	3,236	20,101	3,965

Gold Mine Industry Says Costs Must Be Kept Down

Findings of the Ontario Committee on Economics of Gold Mining emphasize "the absolute necessity" of keeping costs down to their present levels.

"If costs are allowed to increase further or if payments under the Emergency Gold Mining Assistance Act are reduced any more, the report shows clearly that the welfare of some 50,000 persons in Northern Ontario will be in jeopardy," an industry spokesman commented.

Other mining officials noted the Committee had found that even considering adjustments that might be made by some mines, Sudbury wages would mean 18 mines (employing 60% of the province's gold mining labor force) would have to immediately consider "whether or not to go on a salvage basis."

While the Committee pointed out that due to mechanization, productivity had increased 3.5% since 1948 as compared with but 0.3% prior to the end of World War II, industry spokesmen noted that the 3.5% per annum increase cannot go on indefinitely in the face of further wage boosts.

Capital Lithium Pulls Best Core

The widest and deepest ore grade lithia-bearing core to date is reported by Capital Lithium Mines for its latest hole.

A 50-ft. section is visually estimated to average 1.3% lithia between 275 and 325 ft. in the hole.

The hole also suggests the presence of a new ore-bearing structure.

The latest 50-ft. intersection was secured in the deepening of No. 4 hole. This hole had previously cut a 10-ft. true width assaying 1.21% lithia at about 100 ft. vertical depth.

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700 DIVIDEND PAYING COMPANIES

The 1955 Dividend Record, prepared by The Financial Post Corporation Service, lists nearly 700 Canadian companies which paid dividends in 1955.

Counting both preferred and common stocks, approximately 1,000 different securities are represented.

Every dividend payment made by these companies in 1955 is shown individually, with the amount of each payment, the payment date, record date and (where applicable) the ex-dividend date. Also shown is the total paid on each stock in 1954 and 1953.

This book will be invaluable when preparing income tax returns, and is an excellent year-round reference when planning the purchase or sale of investment securities.

The price is $2.00 per single copy; two copies for $2.50, three copies for $3.00. Delivery date, approximately January 18.

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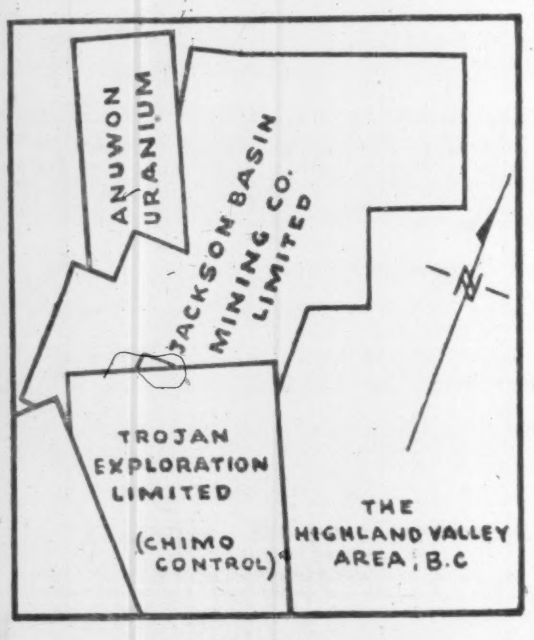

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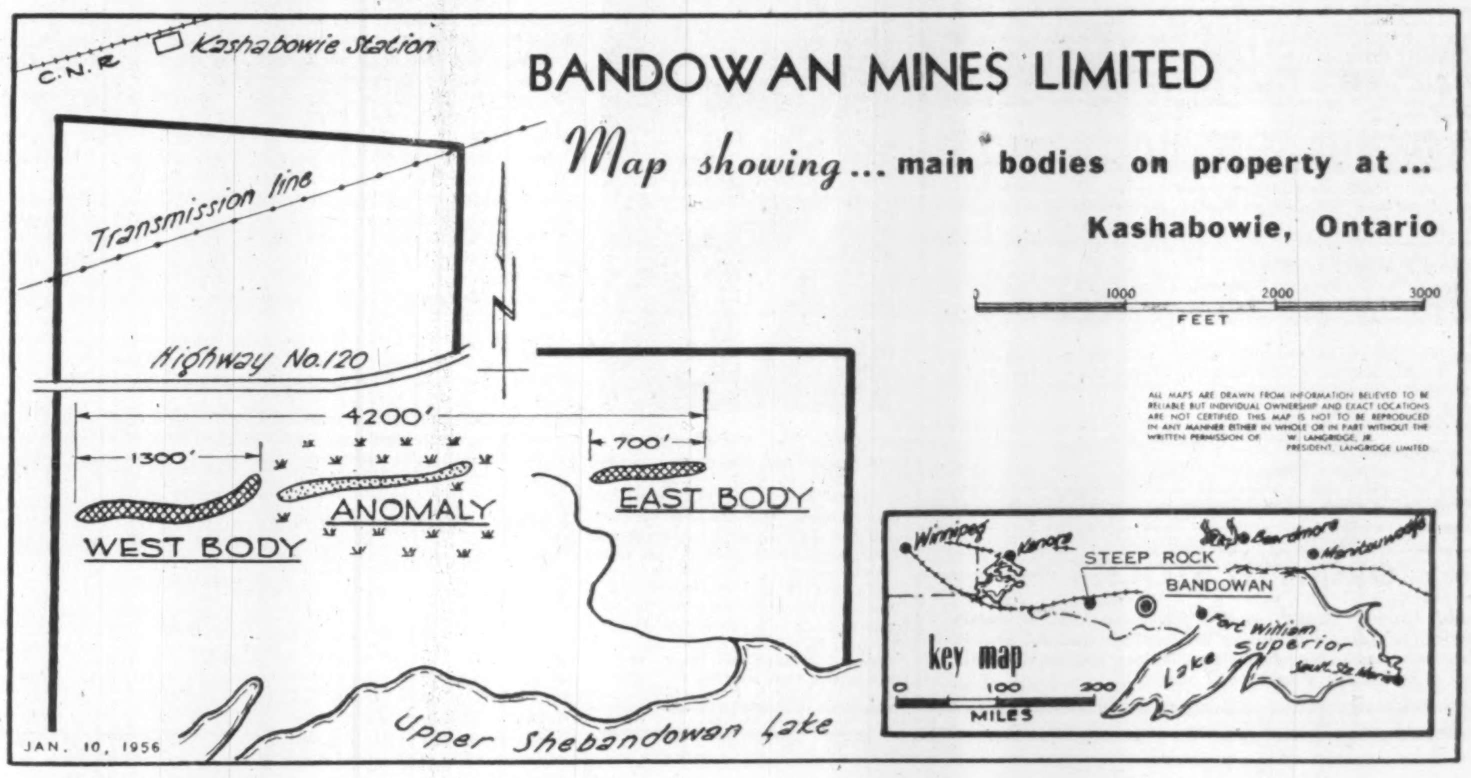
N

BANDOWAN
Mines Limited

Shown here are the two most important sulphide replacement bodies—designated as the East Body and the West Body—that the company will be diamond drilling shortly to investigate intriguing grade, depth, length and width possibilities.



Copper values obtained in previous drilling on the West Body included 22 ft. true width of 1.4% at a vertical depth of 185 ft. below surface, 15 ft. of 2.2% at 420 ft. and 4.0 ft. of 1.2% at 480 ft.

The East Body gave results that included 15 ft. true width of 1.84% at 50 ft. vertical, 7.0 ft. of 0.5% at 110 ft., and 6.0 ft. of 1.04% at 390 ft.

Besides interesting copper values, significant amounts of gold and silver are also present and the zinc mineral, sphalerite, is present in what possibly could be appreciable amounts but no assays have ever been reported to have been run for zinc.

Trenching has traced the West Body for 1,300 ft., open at both ends. The East Body has been traced in trenching for 700 ft. and it, too, is open at both ends.

Geophysical surveys have outlined an anomaly in the half-mile swamp area separating the two main bodies. It appears to be similar to anomalies outlined around the East and West Bodies.

Assuming that the East and West Bodies are of the same structure and continuous under the intervening swamp, the occurrence has a substantial total length of 4,200 ft., is open at both ends, and varies in width from 5 to 60 ft.

Depth, length and width possibilites are therefore considered intriguing.

The company is well financed, its treasury having been provided with $137,500 under the auspices of Newkirk Mining Corp.

SHARES OF BANDOWAN MINES LIMITED ARE SPECULATIVE

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2. Locality map of: ☐ Blind River ☐ Beaverlodge ☐ Marian River (Check name of mining camp.)
3. Up-to-date information on .... (fill in name of mining or oil company)

Name ....

Address ....

Province .... Phone ....

Note: Maps and brochure are being prepared in limited number. To avoid disappointment act promptly.
Monpre Uranium Exploration Limited is a speculative security.

What Did . . .

"Stock Market News and Comment"

say about

MERRILL ISLAND? NEW ROYRAN? MILLIKEN LAKE?

EXTRACT FROM MARKET LETTER No. 738 (Nov. 17, 1955)
"The Market is dull and few stocks are making any headway even on good news. MERRILL ISLAND ($2.25) is an example of this. It is earning at the rate of $100,000 a month from its milling deal with CAMPBELL CHIBOUGAMAU and in addition is developing big ore-bodies on the unleased portion of its property. (Hole No. 18 yielded 23 ft. of 3.5% copper, hole No. 21—13.6 ft. of 4%, then a 12-ft. gap and a second section of 16.8 ft. estimated to run 3%). The Company has about 2 million dollars in the treasury."

EXTRACT FROM MARKET LETTER No. 739 (Nov. 25, 1955)
"This Market has finally broken out of its rut and is showing selective but encouraging recovery. MERRILL ISLAND is the feature of the week with a fast move to $2.85." In Letter No. 735 I said, "MERRILL ISLAND is said to be getting exceptional ore north of its shaft—(one intersection 30 ft. of 3½% copper). This is my **prime recommendation this week, $2.00."**

EXTRACT FROM MARKET LETTER No. 721 (June 30, 1955)
"The Chibougamau field is coming to the fore now in view of the successful production records of CAMPBELL CHIBOUGAMAU and OPEMISKA COPPER. COPPER CLIFF has decided to sink a shaft. QUEBEC CHIBOUGAMAU, D'ARAGON and ROYRAN are drilling. (I hear the latter has pulled a 41-ft. core estimated to run over 2% copper by visual inspection). **ROYRAN is a very good speculation at 32 cents."**

EXTRACT FROM MARKET LETTER No. 722 (July 7, 1955)
"At Chibougamau, ROYRAN has 2 drills working and is adding two more. It has an extension of the two parallel zones on COPPER CLIFF (adjoining) and is getting comparable ore in its first drilling results. **Buy and hold as a very good penny speculation (37 cents)."**

EXTRACT FROM MARKET LETTER No. 728 (Sept. 8, 1955)
"MERRILL ISLAND, adjoining CAMPBELL CHIBOUGAMAU, has all the earmarks of a **sure winner together with ROYRAN."**

EXTRACT FROM MARKET LETTER No. 742 (Dec. 15, 1955)
"Elsewhere in the uraniums, LAKE NORDIC and MILLIKEN LAKE have become market sensations with advances to $2.10 and $1.60 respectively. There seems little doubt that a **tremendous orebody** runs through these adjoining properties and a dozen drills are hard at work proving it up before the Government contract deadline. I have recommended both of these stocks strongly for a year (originally at a ⅓ of present prices)." And in Letter No. 734, Oct. 21st I said, "LAKE NORDIC brought in two holes 32 and 46 ft. grading $12.32 and $11.60 respectively and confirms a wide trough deposit in the western part of its property adjoining MILLIKEN. NORSYNCO (private Co.) brought in a good hole on its property tying onto MILLIKEN to the west. The inference is that this wide trough conglomerate bed **goes through MILLIKEN for a distance of 9,000 ft. I advise purchase of MILLIKEN shares (70c) for possibly a sensational advance as work proceeds over the coming weeks."**

RECENT MARKET PRICE OF MERRILL ISLAND .... $3.30!
RECENT MARKET PRICE OF NEW ROYRAN .... 3.10!
RECENT MARKET PRICE OF MILLIKEN LAKE .... 3.25!

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New High Grade Copper Strike Livens Temagami Mining High Grade Ore Hopes

A sharp increase in price of QMI-financed Temagami Mining Co. stems from further high-grade copper ore developments on the Temagami property.

Discovery of a new high-grade copper body — and new support for the theory of recurring high-grade copper lenses — saw the issue sell at a record high of $4.05 this week.

As the company realized a 1955 profit in excess of $1 million on mining of 6,000 tons of high-grade from one of the two original high-grade lenses, the significance of the finding of further high-grade ore will be appreciated. With an estimated 14,000 tons of 25% copper ore remaining in the two original lenses, Temagami expects to realize an even larger profit from mining in the 1956 season.

100 ft. Long

The new high-grade ore body lies about 100 feet to 150 feet to the east and a little to the north of the original high grade. While it is not as spectacularly rich as the original section, it shows no signs of bottoming at depth and is expected to be extended further to the northeast.

There is a further pronounced anomaly — and two old drill holes showing copper mineral — in this direction. This section will be tested shortly.

From present information the management feels that the theory of high-grade ore shoots lying "en echelon" is working out.

First hole to penetrate the new high-grade section returned 8.1% copper over 11.8 ft. from 176.2 to 188.0 ft. and 9.5% copper over 4.8 ft. starting at 200.5 ft. core depth. A second hole, No. 244, drilled below, gave 5.3% copper over 13.1 ft. starting at 187.0 ft. core depth.

Further drill holes completed at 25-ft. section intervals to the south now show a 100-ft. length which it is "guestimated" could already yield 10,000 tons of 25% copper for a $1-million profit on a selective mining basis.

On the section 25 ft. south of the original drilling, the shallower of two holes gave 6.0% copper over 28.3 ft. starting at 90.7 ft. core depth and 17.1% copper over 15.9 ft. at 119 ft. core depth. A deeper hole gave 6.0% copper over 9.4 ft. at 158 ft. and 4.2% copper over 21 ft. at 192.5 ft.

On the next section 25 ft. to the south four holes were drilled, The shallowest showed 14.0 ft. averaging 30.5% copper at core depth of 53.0 ft. Next hole below returned 10.1% copper over 32.7 ft. at 73.0 ft. The third hole averaged 11.7% copper over 29.2 ft. starting at 179.8 ft. while the fourth and deepest hole averaged 10.0% copper over 14.6 ft. from 248.6 ft. core depth.

Two holes in the next cross-section 25 ft. to the south returned an estimated average of better than 5% copper over 26.4 ft. in the shallower hole and 6.7% copper over 36.4 ft. in the deeper hole starting at 178.5 ft., core depth.

Only one hole is available for the most southerly section and it returned 27.8% copper over 6.6 ft. starting at 158.0 ft.

If assays are taken over narrower widths, much higher grade values are secured. For instance, the shallower hole in the second cross-section had a value of 27.3% copper over 5.0 ft. contained in the wider 15.9-ft. section while the hole below had 12.5% copper over 3.6 ft. in the 21-ft. section of 4.2% copper.

In the next to last section to the south, the shallower hole has 17.6% copper over 6.1 ft. in the 26.4-ft. intersection and 17.7% copper over 6.4 ft. in the 36.4-ft. core.

Indications of high-grade copper have been found in the Phillips Bay ore zone lying several thousand feet to the west and slightly to the south. A hole which was allowed to go deeper than usual found 2 ft. of solid chalcopyrite in mid-1955 while another hole in the central part of the Phillips Bay zone showed a 9-ft. section of solid chalcopyrite. A newly completed hole which extends the Phillips Bay ore 200 ft. to the west has also returned 2½ ft. of massive chalcopyrite.

Altogether five drills are working on the Temagami property. A sixth may be added as the company wishes to secure as much information as possible in drilling from the ice. Two drills are on delineation of the new high-grade copper shoot, two others are working on lengthening of the Phillips Bay zone while the fifth drill is checking other indications of ore.

Clear Shaft Site

Clearing has started for the three-compartment shaft which is to be put down between the Phillips Bay and Keevil ore zones. It will go to a depth of 550 ft. with levels to be established at 300 ft. and 500 ft.

Approximately $1.1 million of working capital is available and further funds are being received from exercise of options.

As substantial funds can be anticipated from additional mining of high-grade copper ore by surface methods, more than adequate funds are available for the development phase of the company's program. Since the company's ore marketing contract has expired, a higher prospective return can be anticipated from sales based on the present price for copper.

Geo - Scientific Prospectors which has accompanied Temagami in its market climb owns 621,382 shares of Temagami and 930,000 shares of Inmont Copper which is drilling its copper property 12 miles west of Noranda. Geo-Scientific has 1,262,505 of its own shares issued.

ANNOUNCEMENT

VICE-PRESIDENT OF NATIONAL CANADIAN BANK

Hon. ALPHONSE RAYMOND, L.L.D., M.L.C.

who was elected vice-president of National Canadian Bank. Mr. Raymond is a director of Catelli Food Products Ltd., Gaspé Copper Mines Ltd., Hollinger Consolidated Gold Mines Ltd., International Bond and Share Corporation, Lake of the Woods Milling Ltd., Montreal Refrigerating & Storage Ltd., Noranda Copper & Brass Ltd., Noranda Mines Ltd., Provident Assurance Co., Quebec North Shore & Labrador Railway Co., Quebec Power Co., Alphonse Raymond Ltée, Royal Trust Co. and several other companies.

Stanleigh Gets $775,000 For Expanded Drill Plan

With uranium ore results secured on both its own property and adjoining Lake Nordic, Milliken Lake and Norsynco ground, Stanleigh Uranium Mines has arranged for an additional $775,000 to be placed in its treasury for an expanded program.

An additional $900,000 will be received if options granted on additional shares are exercised.

It was reported this week that the key No. 8 drill hole has been passing through radioactivity with the main radioactive band expected shortly.

President Howard Steven Strouth said: "Due to satisfactory results obtained on the property and in order to step up the tempo of its development, the directors have completed arrangements to place an additional $775,000 in the treasury through sale of 500,000 shares at $1.25 and exercise of the first option on 100,000 shares at $1.50. Additional options on 400,000 shares have been granted which if exercised will provide a further $900,000 to the company.

"With present working capital of $1 million, the company has ample funds to complete the extensive development program now under way. There are 2,311,605 shares outstanding of an authorized capital of five million shares. The financing has been done through John M. Easson & Co. and a group of sub-underwriters including Standard Ore & Alloys Corp. of New York, W. C. Pitfield & Co., Northfield Mines, Temiskaming Construction Co. and Nova Company Exploration Ltd.

"Recent drilling has tended to suggest the ore has a width of as much as 10,000 ft. on the Stanleigh property if the results of the Norsynco No. 2 hole on the west and our No. 3 hole on the east are indicative of the ore trough.

"The present drilling program will fill in the gap between the above-mentioned holes and it is hoped that sufficient information will be forthcoming to justify opening of the discussions with the Canadian Government for uranium marketing."

Cons. Mosher Ore Now Estimated at 3.5 Million Tons

A total of 3,485,264 tons of positive ore reserves averaging 0.171 oz. gold per ton is now estimated for Consolidated Mosher Mines before dilution, President T. Lindsley reveals in the annual report for the year ended June 30, 1955.

This ore has an average width of approximately 57 ft.

If a 15% allowance for dilution is made, the reserve becomes 4,008,000 tons averaging 0.155 oz. gold per ton. Of this tonnage, 95% is above the 2,040-ft. level.

Driving west is now being carried out at the 2,040-ft. level with the objective of carrying out further drill investigation of the ore body — and adding additional tonnage — on its westerly plunge.

Consolidated Mosher's property in the Little Long Lac area adjoins that of MacLeod-Cockshutt Gold Mines. President Thayer Lindsley states efforts are now being made to determine the best plan for the company.

Net working capital, exclusive of 1,073,375 shares held in Lun-Echo Gold Mines, amounted to $1,242,017 at June 30, 1955.

F. W. Graham New Trojan President

Reflecting the entry of Chimo into the financing picture, Trojan Exploration has a new group of top officials including three Chimo directors.

Forrest W. Graham, Chimo vice-president, becomes president. Leon LaPrairie, manager of Chimo's Black Bay operation, has been named Trojan vice-president and managing director.

Jack F. Daly, Chimo secretary, is a Trojan director and the company's secretary.

A. J. McClellan, former Trojan president, and W. Hawrelak, mayor of Edmonton, remain as directors.

It was expected that diamond drilling on the Trojan property might get under way this week.

Initial drill footage for the big Highland Valley copper discovery is now expected to be 20,000 ft. to 25,000 ft. instead of the 10,000-ft. contract originally planned.

K. B. Mining Now In Chibougamau

A 30-claim property has been acquired by Boylen-controlled K. B. Mining Co. in the Chibougamau camp at the west end of Gwillim Lake.

There is stated to be a showing of copper near the end of the lake and geology is reported favorable with a tangental structure running off the Gwillim Lake fault.

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William F. Bradley acts as Principal in the sale of the shares of Ridgefield Uranium Mining Corporation Limited, a speculative security.

ANNOUNCEMENT

New Product Divisions at General Steel Wares

R. B. TAYLOR — J. H. K. LYONS — J. H. McILROY

A reorganization of the internal structure of GENERAL STEEL WARES LIMITED has been announced by MR. W. F. HOLDING, President and Managing Director.

The recent rapid expansion of GENERAL STEEL WARES LIMITED and the continual addition of new products to the firm's lines have forced the company to divisionalize its internal organization. The new operational setup is designed to facilitate further expansion by making each division of this all-Canadian company more specialized and flexible.

The new structure of the firm consists of the head office and four divisions.

The General Lines Division includes all housewares and plumbing products. MR. R. B. TAYLOR, Senior Vice-President of the company has been appointed General Manager of this Division.

The McClary Appliances and Heating Division with MR. J. H. K. LYONS, a Vice-President of the company, as General Manager is located in London.

The Merchandising Division, located in Toronto, will have MR. J. H. McILROY, a Vice-President of the company, as General Manager.

The Commercial Kitchen Equipment Division will have MR. R. GAUNT as General Manager.

Maybrun's Hole 1.09% Cu Over 81'

A drill hole put down by Maybrun Mines between "B" and "Ross" ore bodies has returned two high-grade sections, President J. L. Shaw reports.

A narrow section of 13.97% copper occurs in a 5-ft. sample averaging 2.23% copper and 0.013 oz. gold. The second gave 8.46% copper and 0.20 oz. gold over 4.5 ft. The latter occurs in a 28.4-ft. section averaging 2.53% copper and 0.064 oz. gold.

The intersection in the hole can be expressed as 81.5 ft. grading 1.09% copper and 0.02 oz gold by taking in lower grade material.

This hole was drilled 100 ft. north of a hole that averaged 2.91% Cu across 25.5 ft. and lines up with it. These are considered true widths and increase the length of the "B" zone by 300 ft., it is stated. Two more holes now drilling are expected to fill in the remaining distance to the "Ross" zone.

Station cutting on the 150-ft. level is proceeding and samples from mineralized sections encountered have been sent out for assay.

MINERAL EXPLORATION CORP. reports 2,750,000 tons of "probable ore" averaging approximately 2.5% zinc plus some cadmium and germanium in the adit section of its Meat Cove property. Additional potential material has been indicated by outlying drill holes and surface work, it is stated, with indicated length of the zinc-bearing structure some 4,500 ft. In the Rocky Brook copper-zinc area a length of 260 ft. is reported averaging 1.1% copper and 1.4% zinc over a width of 12.5 ft. There is stated to be the potentiality for a fairly large area in the Rocky Brook sector.

For the Information of Unregistered Shareholders of:

DESMONT MINING CORPORATION LIMITED

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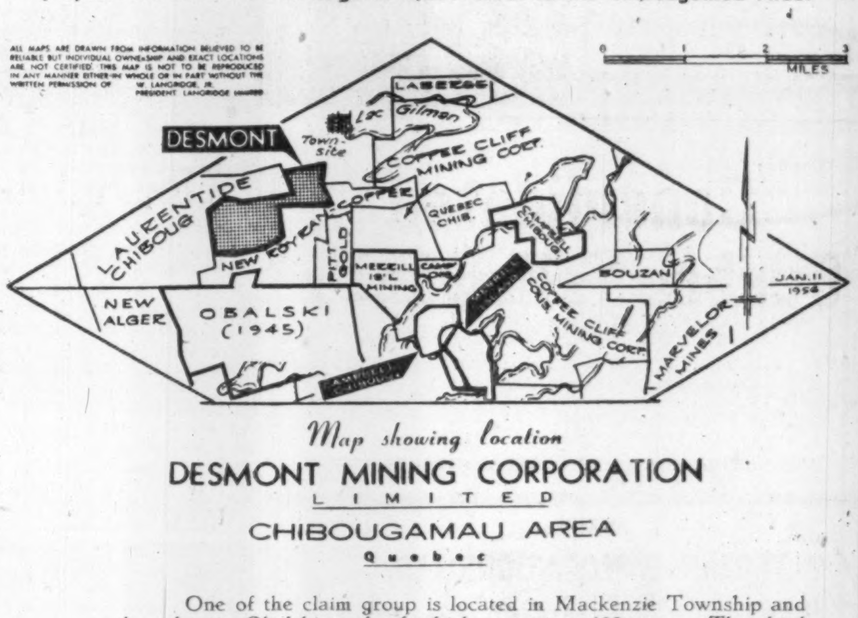
Your company has recently acquired THREE important and well located properties with a total acreage of 1,200 acres in the Chibougamau Area.



Map showing location
DESMONT MINING CORPORATION LIMITED
CHIBOUGAMAU AREA
Quebec

One of the claim group is located in Mackenzie Township and the other in Obalski, each of which comprises 400 acres. The third group, also 400 acres, is located in McCorkill Township, lying east of the Mackenzie claims.

★ The central group, shown on the above map, adjoins the north boundary of New Royran Copper Mines. The significance attached to these claims is the striking proximity to the area's major developments such as New Royran, Copper Cliff, Bouzan and particularly the Copper producing mines of Campbell-Chibougamau and Merrill Island. Results from the former three mentioned developments have been encouraging, that discussions of production plans are well advanced.

The two remaining groups of claims (not shown on the above map) are equally important as to location and further details will be announced at a later date when plans have been finalized for the commencement of exploratory work.

★ ★ ★ ★ ★ ★ ★

CLERMONT TOWNSHIP PROPERTY

The 3204 acres made up of two groups lying southeast of Normetal Mining Corporation. Investigation has disclosed information that the structural extension of the Normetal shear zone traverses the Desmont property, particularly the northwestern section, and extending into the southeastern section. On the southwest boundary of the Vicour property adjoining Desmont's holdings, an anomaly has been indicated by a geophysical survey.

The company plan immediately to carry out a geophysical survey at this point designed to pick up the extension of this indicated anomaly which strikes into Desmont's property. Diamond Drilling will follow any favourable anomalies indicated by the survey.

★ ★ ★ ★ ★ ★ ★

CLERICY TOWNSHIP ROUYN - NORANDA PROPERTY

In addition, the company has recently acquired an extensive group of claims comprising 930 acres in this area, on which a shaft was sunk by the former owners while operating the property as a Gold development. Wide bands of sulphide mineralization were discovered at that time.

Since, the market price of copper has been increased substantially, and the acquisition of this property by Desmont Mining Corporation Limited, reviewing the base metal possibilities of this property from old records appears to have a favourable geological setting for ore mineralization. In view of this and the encouraging results being obtained at Rio Canadian, a neighbouring development, the company plans to thoroughly investigate the full potentialities of this property by further exploration.

● *Shareholders holding certificates not in their own names should register them with the Guaranty Trust Company, 70 Richmond Street West, Toronto, so that progress reports of the above developments can be mailed to you. If you have changed your address, notify the Transfer Agent.* ●

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With 80% of Canada's Gypsum output already being mined in N. S. it is expected to increase the future production in '56. Department of Mines: Halifax, Nova Scotia.

I AM BACK FROM CHIBOUGAMAU

Last week I flew into Chibougamau to check on the fantastic stories I had been hearing about the camp. I came away convinced that I had visited what will surely become one of the richest copper areas in Canada. Such activity!

If you own shares in any company with a property in Chibougamau, or you are wondering if you should buy copper shares at this time, I would like you to have a copy of the report I am preparing about my visit.

Without the slightest obligation I will mail you a copy together with an up-to-the-minute map of the whole area now being drawn. Don't miss what I believe is going to develop into one of the biggest market booms any of us have seen in years. Drop me a line or use the coupon below.

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MINING INVESTMENTS

U.S. Not Mexico Will Play Key Role in Silver Picture

The U. S. rather than Mexico is likely to play the key role in determining the price of silver in 1956, Handy & Harman reports in its annual review of the silver mining industry.

Mexico — long a key factor in the silver picture — dropped its traditional role early in 1955 when the Bank of Mexico withdrew from the silver market. Mexican silver stocks dropped sharply last year and the 16 million ounces remaining at year end were all committed for future coinage requirements.

Pointing out that the U. S. is now the main factor in the price situation, Handy & Harman says:

"If we assume that there is no change in the silver policies of the U. S., then it would appear that fluctuations will tend to be limited by the Treasury buying price of 90½c per ounce for domestic production on the one hand, and its selling price to industry on the other. The Treasury's present established selling price is 91c for delivery at the San Francisco mint and 91c plus 1¼c transportation, or effectively 92¼c, at the New York assay office."

It is pointed out, however, that if Congress should pass bill S. 1427 which has had some committee hearings, existing silver legislation would be repealed and the Treasury could only sell silver at the monetary rate of $1.29 (U. S.) an ounce.

* * *

Quebec's Staking Ban

This week has finally brought an explanation for last summer's suspension of all claim staking in the Ungava area. A statement by Minister of Mines W. M. Cottingham was probably prompted, at least in part, by charges the Government was moving into the mining business.

Mr. Cottingham has now given the "official" answer which we quote in part below.

"The withdrawing from staking of New Quebec (Ungava) has been put into effect so that the Department of Mines will be in a position to decide what should be done, that is regarding conditions to be determined concerning explorations.

"There will never be question of the present Government of Quebec going into the mining business because one of the fundamentals in our policy is to co-operate on a fair basis with private enterprises. As always, we believe that private enterprise is the cornerstone of our economy.

"We consider it proper to make a government survey as complete as possible so that we will be in a better position to complete our information of conditions that have to be taken into consideration and also the certitudes of the mineral wealth of this district.

"Before the railroad (Iron Ore Co. of Canada), which cost over $150 millions, was built from Seven Islands to Schefferville (Knob Lake) we were more or less guessing and at that time there was a greater risk than there is today."

The Minister said conditions have changed through the building of the railroad opening up the region. It is only normal and natural that the Government should act accordingly, it was stated.

* * *

Win Nickel Lawsuit

A Toronto syndicate headed by E. Myles Flynn, has won its lawsuit with respect to a nickel occurrence on Yakobi Island, Alaska, which had been staked in 1952. Final judgment to this effect has been handed down by the Court of Appeal, Western Division, of the U. S.

This island has a very interesting nickel occurrence but the Toronto interests have had to contend with a number of difficulties in planning for its exploitation.

First, large Kodiak bears were found to swarm on the island. They treed the group's surveyors for a period of eight hours. A posse of big game hunters may have to precede a crew to carry on ground work!

Two years ago, it was decided to have Hans Lunberg carry out an airborne survey. However, it was necessary to wait no less than five weeks to secure suitable weather to carry out this survey which was attended by interesting results.

According to the Geological Survey in the U. S., the Toronto group's holding contain an estimated 20,800,000 tons of low grade nickel ore. The structure is apparently a miniature replica of the Sudbury area with an elliptical rim and favorable norite rock.

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Eastern Asbestos Plans to Build 200-ton Mill

Immediate construction of a 200-ton mill by Eastern Asbestos Co. has been announced by directors. Cost is not expected to exceed $300,000.

Erection of such a mill to treat ore now coming from development headings was recommended by Leigh Bladon, consulting engineer, who is managing Relocation Corp. at Thetford Mines.

Pilot plant testing of bulk samples is proceeding as a preliminary to completion of flow sheet research and plant design. All tests are stated to indicate that ore is easy to treat, it is reported.

It is believed that milling will commence at the rate of 100 tons a day from four drifts, and raises, which will be driven simultaneously. The mill will not only provide income, it is stated, but will also definitely establish grade of ore as it is being blocked out.

Drifting in the various ore zones, with crosscut at 200-ft. intervals, is being continued. C. S. Boland Development Co. of Noranda has been doing the work under contract.

Pater Will Drill From Lake Huron

With Lake Huron ice thick enough for drilling and a survey completed for most favorable hole locations, Pater Uranium Mines has embarked on a winter drilling program on its License of Occupation of 525 acres adjoining its main property.

Sinking of a 1,000-ft. shaft is also being undertaken by the company as a preliminary to underground development of 775,000 tons of ore estimated in the main section averaging 2% copper and 0.14% cobalt.

Bouzan's Wedged Hole Give 5.56% Copper Over 11 Feet

All assays are not yet available, but at least two sections have shown much improvement through wedging of Bouzan Mines discovery hole.

Most noteworthy development is an 11-ft. section from 818 to 829 ft. which averages 5.56% copper including 5 ft. of 9.8% grade. This is a considerable improvement over the 11.6-ft. section in the unwedged hole from 818.4 to 830 ft. which averaged 4.02% copper.

A 10-ft. section between 857 and 867 ft. averaged 2.18% copper. In the unwedged version 9.6 ft. from 856.9 to 866.5 ft. had given only 0.90% copper.

A 2-ft. shallower section in the hole at 775 ft. averaged 2.75% copper as against 2 ft. of 2.90% at 774 ft. in the unwedged version.

At 1,102 ft. is a 5-ft. section which is expected to average 1¾% copper against a 5.5% assay over about 5.7 ft. in the unwedged way. Altogether there are 75 drills working in the Chibougamau camp.

A 56-ft. section from 811 to 867 ft. averages 1.51% copper, which checks fairly closely with the 1.59% copper over 56.5 ft. in the original hole.

There was a trend for some high grade sections to show up better in the wedged hole while intervening copper mineralization graded a little less, it appears.

Area Drilling Accelerates

Bouzan and its neighbors are accelerating their drilling programs as Chibougamau winter drilling from the ice gets under way.

Bouzan is drilling a hole with New Royran (R-40) which is midway between the Bouzan discovery holes and R-38 whose values included 41 ft. averaging 3.04% copper. This hole will likely make its intersection in Bouzan ground.

Two other Bouzan drills are now understood to be drilling holes at 200-ft. intervals either side of the Bouzan 8 and 8A holes. These holes are expected to make their intersections at about 900 to 1,000 ft. depth. Both holes will be "bullnosed" without any core recovery for the first part. This will permit the making of fast time down to the ore horizon.

New Royran now has five drills in operation, two to the west and three to the east of Gouin Peninsula. All are on the ice with one hole being drilled jointly with Copper Cliff.

Cross-section drilling is being continued far to the southeast beyond Bouzan to pick up the structure. Some copper was noted in an initial hole but the main ore-bearing structure has not been picked up as yet.

Three more drills are starting work at Copper Cliff on the extension of the main zone to the east. One drill is over to the west working on the extension of the Merrill zone.

Over to the west two Chib-Kayrand drills are also putting down vertical holes on the presumed extension of the Kayrand zone while a third drill is following up magnetic survey indications.

Bouzan is starting to drill the big Campbell fault on its Waconichi property and to drill the McCorkill copper discovery shared with New Jason.

JIM: I have some real red-hot news for you today, Pete. My banker tells me another Bull Market in development issues is just beginning! That's real inside information, and maybe we can both make some money.

PETE: That's kind of you, Jim, but it's hardly news. CO-ORDINATOR has been keeping me advised, week by week, and all their subscribers know where we stand. Tell me, do you know exactly what stocks have the merit and the market potential to rise in price on this coming Bull Market?

JIM: Why, no . . . not exactly! Does anybody? I mean, I thought on a Bull Market everything went up!

PETE: You should know better than that, Jim. I make money because I consistently follow CO-ORDINATOR'S sound, skilled advice. Look, I've just been checking their recommendations for the past four months, made on an almost dead market, too, remember! I bought 7 stocks, on their advice. In 4 months every one of them has advanced in price, an average of over 14%. And they are now compiling another list, so that I can get in on this coming Bull Market at the bottom.

JIM: What sort of a list is it, Pete? Can I get one too? What does it cost?

PETE: It's a list of 15 SPECIAL RECOMMENDATIONS—made up of 5 Penny Stocks, 5 Higher-Priced Speculative Investments, and 5 Investment Issues. I know it's going to be invaluable to me. Certainly you can get one! They will send this Special List FREE OF CHARGE to everybody who takes a $3.00 Trial Subscription to CO-ORDINATOR Service. Mail the coupon today, Jim, get in at the bottom, in time for real profits.

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Consolidated Quebec Yellowknife

MINES LTD. (N.P.L.)

Announces Diamond Drilling In 'Hot Spot' of Chibougamau

Drilling News in the area sparked spectacular advances in shares of Bouzan, Campbell Chibougamau, New Royran, Copper Cliff, Quebec Chibougamau and Merrill Island. Consolidated Quebec Yellowknife is a low-priced, listed, pre-drilling Chibougamau speculation of outstanding merit.

Consolidated Quebec Yellowknife is also active in Lacorne Lithium Area, Bachelor Lake and Blind River.

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ADDRESS ....

CITY or TOWN ....

Coniagas Cuts Wide Sulphides

Carrying some copper, wide sulphides are being cut by both drills at the Rio Canadian area property of Coniagas Mines north of Rouyn.

A telegram to President M. J. Boylen from consultant A. C. Lee reads as follows: "Both drills encountering important width sulphide. North machine cut 175 ft. width south of Kenojevis River in line with EM anomaly with indicated length of 2,000 ft. or more. South drill cut 110 ft. width sulphide 400 ft. south of old shaft. Both bands carry some copper and will be followed by further drilling as they represent a good prospecting chance."

Coldstream Zone Cut at 3rd Level

Features of recent work at Coldstream Copper Mines has been the cutting of the ore zone on the third level at 475 ft. and the securing of encouraging results in drilling to delineate known ore bodies on the first level.

The third level crosscut entered the north ore body at 210 ft. from the station and encountered what appears to be ore grade material for a length of 14 ft., the management reports.

At 200 ft. from the station drives were turned off east and west and will be extended to at least 500 ft. in each direction to provide diamond drill stations.

Second level drives will also be extended for several hundred feet each way to explore for extensions of the south zone ore bodies and the north ore zone.

On the first level, flat hole No. 140 gave two intersections in the north zone: 11 ft. of 8.45% copper and 6.5 ft. of 1.38% copper starting at 103 and 143.5 ft. in the hole respectively. No. 144 flat hole into the south zone starting at the collar returned 10 ft. averaging 2.10% copper and a 13.6-ft. section starting at 20.1 ft. which averaged 3% copper.

No. 151 hole, inclined downward at 25 deg. into south zone gave these intersections: 19 ft. of 2% copper at 62.4 ft. and 7 ft. of 1.85% copper at 115 ft. in the hole.

Wesley Discovers Strong Anomaly

A strong 900-ft. long anomaly has been picked up by Wesley Gold Mines on its property adjacent to Lyndhurst Mining Co. in Northwestern Quebec.

There is reported to be a showing of copper mineralization on the shore on the line of strike of the anomaly which makes the situation intriguing.

Two drills are to be moved on to the ice immediately for a drill test.

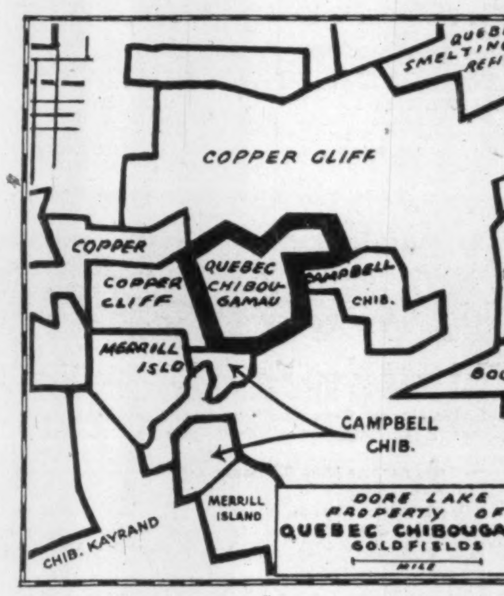
QUEBEC CHIBOUGAMAU GOLDFIELDS

LIMITED

THE COMPANY Quebec Chibougamau Goldfields Limited's main property is located in the approximate centre of mining activity in the Dore Lake area of Chibougamau adjoining Campbell Chibougamau Mines Ltd. The Company also owns a controlling interest in Chibougamau Asbestos Limited and a substantial interest in Opemisca Explorers Limited. In addition, the Company holds a diversified list of high grade marketable investments.

DORE LAKE *PROPERTY*

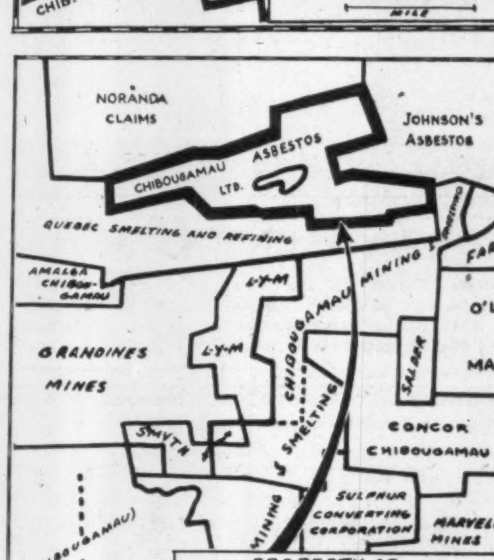
The Dore Lake property comprises 440 acres located in the geological and geographical centre of the Chibougamau district. The property is surrounded by Campbell Chibougamau, Copper Cliff, Merrill Island and New Royran. Four major copper bearing structures have been outlined by surface work or diamond drilling. Three of the zones have shown an ore potential of some 1400 tons per vertical foot, grading between 2% and 3% copper. These zones are now being proven to depth. A new zone was disclosed recently exposing 140 feet true width bearing 1.10% to 3.55% copper in 4 sections totalling 17 feet, with intermediate sections assaying between 0.55 and 1.10% copper. Three drills are presently at work on the property. The drilling program is planned to prove ore to depth on the known ore zones and to probe the entire property.



CHIBOUGAMAU ASBESTOS *LIMITED*

The Chibougamau Asbestos Limited (no personal liability) property is located 10 miles east of Chibougamau Townsite. This property covers approximately 1500 acres and includes Asbestos Island. The claims were explored as early as 1905, but lack of transportation hampered full scale development work until recent times. The property is underlain by the Serpentine Pyroxenite Belt. Surface work has disclosed an ore bearing area of chrysotile asbestos 1300 feet long, varying in width for 200 to 500 feet with exposures of asbestos opened to a vertical height of 180 feet above the level of Lake Chibougamau to the summit. This work has indicated an ore potential of 45000 tons per vertical foot. Samples taken show the asbestos to be high grade, long fibred and of good quality. Negotiations are being carried on to secure major financing.

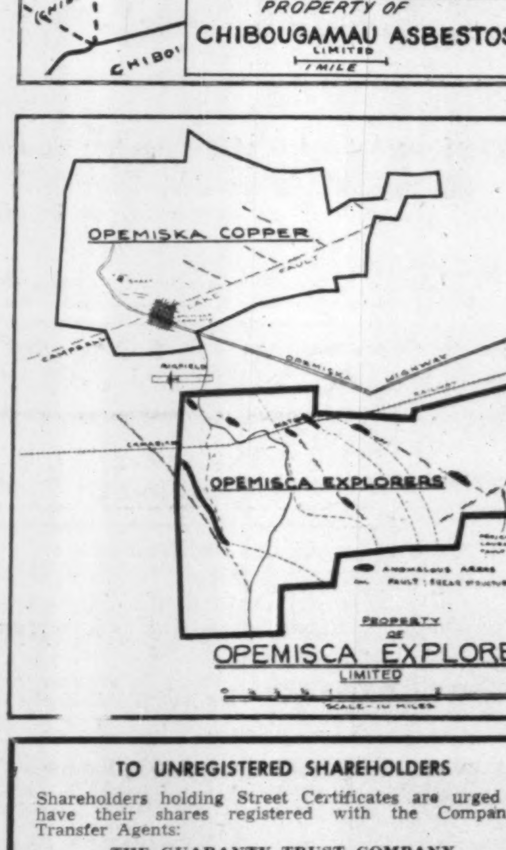
Quebec Chibougamau Goldfields Limited controls 1,000,000 shares of Chibougamau Asbestos Limited and the management of the Company.



OPEMISCA EXPLORERS *LIMITED*

Opemisca Explorers Limited (no personal liability) property covers approximately 3200 acres located ½ mile south of Opemiska Copper Mines (Quebec) Limited. Highway, airstrip and the power line lie approximately ½ mile distant. The new railway, to be opened in 1956, crosses the northern part of the property. Main exploration has been on a massive sulphide zone with an indicated length of 4800 feet. The zone has been drilled to a length of 1100 feet. Two million tons of massive to heavy pyrite and pyrrhotite, with low copper, zinc and cobalt values, have been proven. Extension of the zone into diorite and andesite would appear to indicate a favorable area for additional exploration. Geophysical surveys have shown 10 anomalous areas with a combined length of 7,500 feet, suggesting sulphide mineralization. A diamond drilling program is now in progress. Quebec Chibougamau Goldfields Limited holds a substantial interest in this Company and has managerial control.

Opemisca Explorers Limited has over $225,000 in its Treasury, more than ample for its present large scale systematic exploration program.



OTHER INTERESTS

Quebec Chibougamau is negotiating to acquire a substantial interest in New Brunswick Copper Corporation on whose property high grade copper showings are now being investigated. In addition, Quebec Chibougamau has an interest in Tyranda Copper Mines Limited, which in turn owns a property at Nakina in northwestern Ontario.

FINANCES

Quebec Chibougamau Limited has liquid assets of approximately $1,000,000, of which $750,000 is represented by cash and approximately $300,000 in high grade marketable securities.

QUEBEC CHIBOUGAMAU GOLDFIELDS
LIMITED
(no personal liability)
Suite 204 — 132 St. James Street West
Montreal, P.Q.

TO UNREGISTERED SHAREHOLDERS

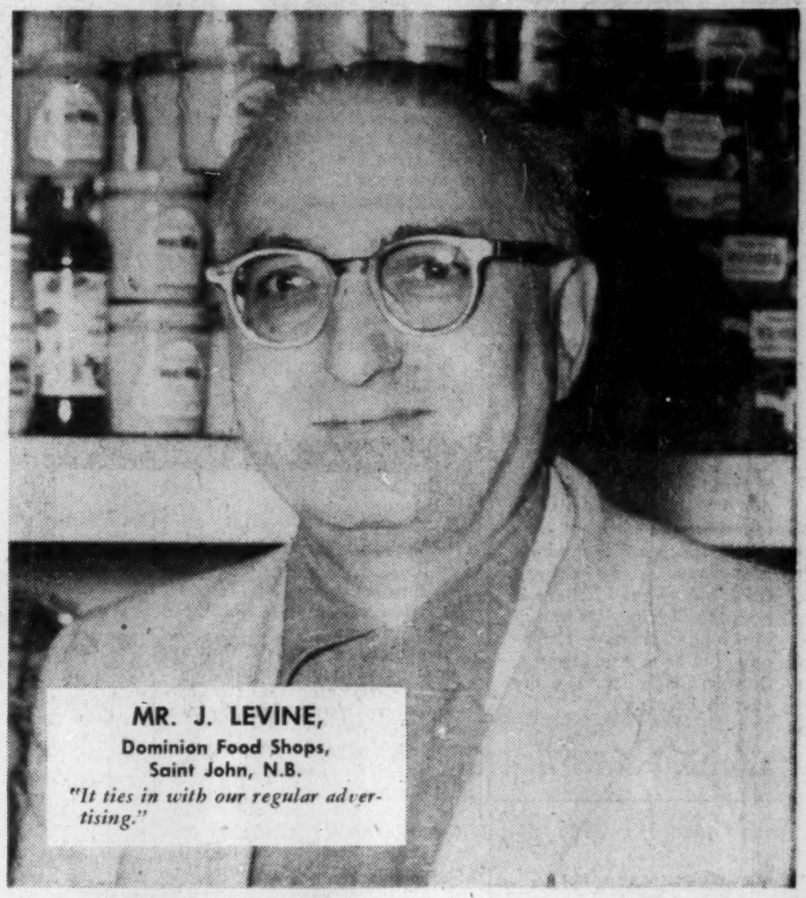
Shareholders holding Street Certificates are urged to have their shares registered with the Company's Transfer Agents:

THE GUARANTY TRUST COMPANY
70 Richmond Street, Toronto, Ont.
610 St. James Street West, Montreal, P.Q.

SHARES OF "QUEBEC CHIBOUGAMAU" ARE LISTED ON THE TORONTO AND CANADIAN STOCK EXCHANGE

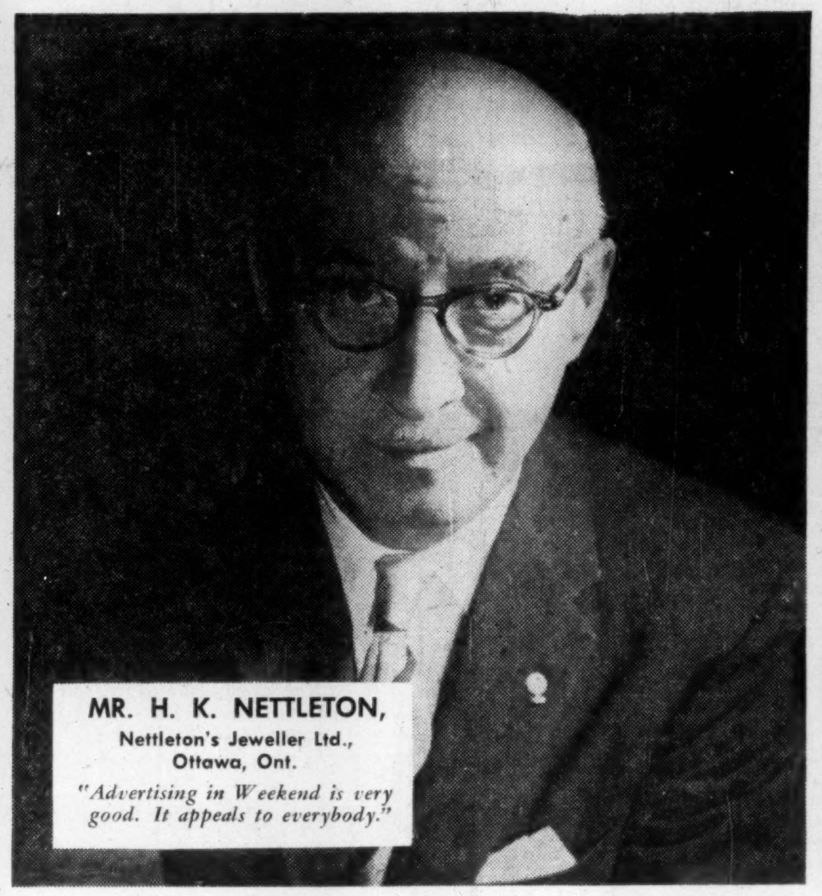
These retailers said these things

MR. I. D. OIRING,
North End Furniture,
Winnipeg, Man.
"I think the advertising in Weekend is effective and colorful."

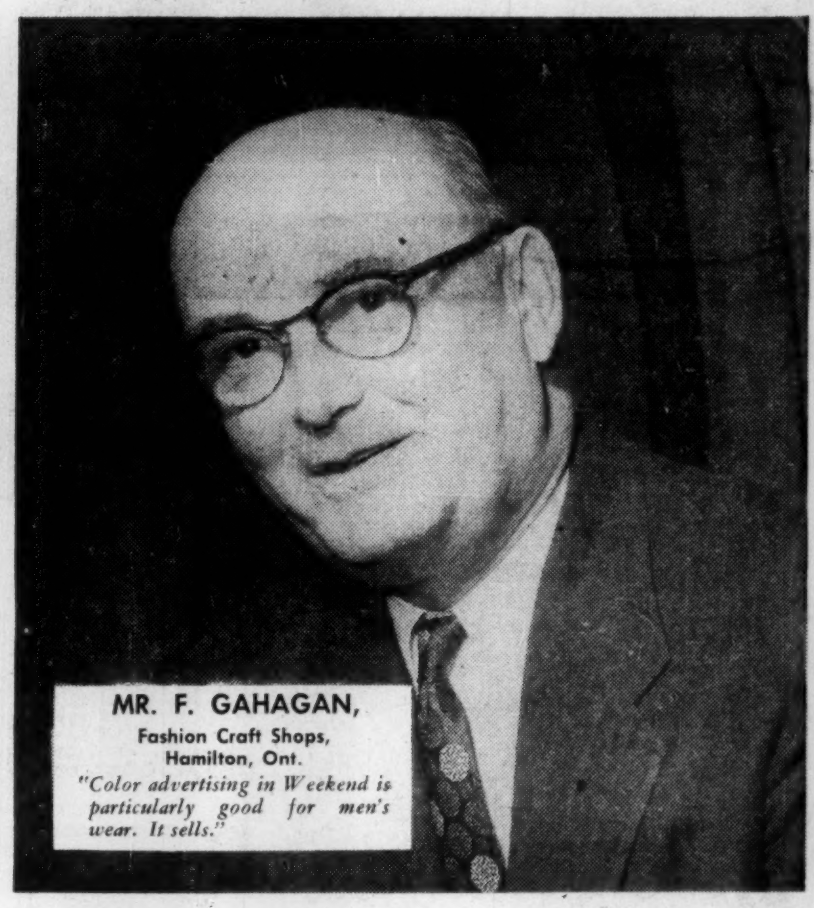


MR. J. LEVINE,
Dominion Food Shops,
Saint John, N.B.
"It ties in with our regular advertising."

MR. RENE LEDUC,
Leduc Drug Co., Montreal, Que.
"In cosmetics, particularly, Weekend really sells."



MR. H. K. NETTLETON,
Nettleton's Jeweller Ltd.,
Ottawa, Ont.
"Advertising in Weekend is very good. It appeals to everybody."



MR. F. GAHAGAN,
Fashion Craft Shops,
Hamilton, Ont.
"Color advertising in Weekend is particularly good for men's wear. It sells."

These are but a few of the retailers we talked to from coast to coast. They were generous in their praise of WEEKEND Magazine's ability to create buying action among *their* customers. One reason is that WEEKEND is part of their hometown newspaper, sharing its local preference and confidence. No other national magazine in Canada provides this local acceptance.

Retailers were high in their praise of WEEKEND's excellent color advertisements. This was particularly emphasized by retailers selling products requiring the impact of full color.

WEEKEND Magazine not only has the largest circulation of any publication in Canada, it has the lowest color page cost per thousand in the English field, and in 1955 topped all other magazines in Canada in advertising dollar volume.

WEEKEND's circulation is 1,450,000 — a whopping 500,000 more than any other publication in Canada. It is the largest single magazine audience ever assembled in Canada to which you can tell your story in color, monotone or comics.

Weekend
MAGAZINE

1,450,000 NET PAID

The biggest single selling force in Canada